

## MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore [Mr. CASTLE] assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The committee will resume its sitting.

## CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1996

The Committee resumed its sitting.

□ 1130

The CHAIRMAN. When the committee rose, the gentleman from Utah [Mr. ORTON] had 8 minutes and 50 seconds remaining, and the gentleman from Ohio [Mr. KASICH] had 7½ minutes remaining.

Mr. ORTON. Mr. Chairman, I include for the RECORD two letters of support for the amendment, one from the American Council on Education, the other from the National Association of Student Financial Aid Administrators.

The letters referred to are as follows:

AMERICAN COUNCIL ON EDUCATION,  
Washington, DC, May 16, 1995.

Hon. BILL ORTON,  
U.S. House of Representatives, Cannon House  
Office Building, Washington, DC.

DEAR REPRESENTATIVE ORTON: The American Council on Education, on behalf of our 1700 college and university members, urges all members to support the Stenholm-Orton substitute to H. Con. Res. 67—the FY 1996 Concurrent Budget Resolution. The Stenholm-Orton substitute achieves the goal of deficit elimination, while maintaining the critical federal student loan, grant and work programs that ensure access to college for students from middle- and lower-income families.

In stark contrast, H. Con. Res. 67 would increase the cost of college by more than \$24 billion over seven years, subjecting middle-class families to the largest tuition hike in the nation's history. This burden will be borne by students currently in college, as well as by children as young as thirteen years of age who will reach college age during the period of time governed by this resolution.

Earlier this month, the Census Bureau released the results of a detailed survey of American business commissioned by President Bush, documenting that increases in workers' education levels produce twice the gain in workplace efficiency as comparable increases in the value of tools and machinery. According to this study, for each additional year of schooling in their workforce, employers gain an 8 percent increase in productivity, rising to 11 percent in the nonmanufacturing sector.

The Stenholm-Orton substitute recognizes the strong linkage between higher education and future national productivity and economic growth. We urge you to vote to defeat the seriously flawed H. Con. Res. 67, and to adopt the Stenholm-Orton substitute.

Sincerely,

TERRY W. HARTLE,  
Vice President.

## NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS,

Washington, DC, May 17, 1995.

DEAR REPRESENTATIVE: On behalf of the National Association of Student Financial Aid Administrators (NASFAA) representing over 3,200 postsecondary institutions across the country, we urge passage of the Stenholm/Orton substitute amendment to the House Budget Resolution. We are supporting the Stenholm/Orton substitute because it restores \$35 billion in Function 500 for education programs from levels contained in the committee-reported resolution. It also retains the in-school interest subsidy for student loan borrowers.

Our members are well aware of the need to constrain federal spending and are fully supportive of responsible efforts to reduce the deficit. However, we respectfully urge you to consider that the federal student aid programs have been essentially frozen since FY-93 and are not contributing to the deficit. To the contrary, research shows increased educational attainment, made possible for millions because of these programs, has accounted for 27 percent of the growth in the national economy during this century. Some will argue that eliminating the interest exemption on student loans will not prevent students from obtaining the loans and will be an additional expense which borrowers can easily repay because they will have higher future earnings. But the fact remains that such a policy will result in significantly higher yearly payments for these individuals and will reduce their ability to purchase other goods and services and save for their children's education. Federal student aid expenditures are an investment in the nation's future, and the monies spent on these programs today are returned by the program recipients many times over in the future.

Public opinion polls show that there is overwhelming support by Americans from all income categories and of all political persuasions for federal spending on programs to help students go to college. These polls clearly show that 75% of Americans do not want to see federal student aid programs and benefits sacrificed in the name of deficit reduction or tax cuts. We therefore strongly urge you and your fellow House members to consider all of the consequences before voting to reduce federal student aid programs below existing levels, or imposing mandatory reductions in spending which would result in a loss of benefits to current and future recipients.

It is for these reasons that we urge you to vote for the Stenholm/Orton substitute.

Sincerely,

DALLAS MARTIN,  
President.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER], a member of the coalition.

(Mr. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Mr. Chairman, I want to thank Chairman KASICH for bringing a bill to the floor that we think we have an opportunity to make better. I would like to thank our minority leader, Mr. GEPHARDT, for giving the coalition this opportunity to be on the floor.

All of us here in this House in the coalition that many of us belong to here came to Washington to try to get something done. People are tired of partisan political bickering. They are tired of the gamesmanship that is being played in this town while the country does not do very well.

Our group, the coalition, has tried to make a difference, a commonsense difference, and I would suggest that this is a defining moment for us in this budget document.

Let me say why I think that. Any business person in this country, man or woman, faced with a \$4½ trillion debt and wondering how to right the wrongs that have been done in the past would say if only this would say this. It makes no sense to add another \$160 billion on the debt as we go to ground zero. At 6 percent that is almost \$10 billion more in interest payments alone that will have to be made if we adopt the Kasich approach.

I can go home to Tennessee through West Virginia or Kentucky or I go home to Tennessee through Virginia and Tennessee. We both get to ground zero. There is a businesslike, commonsense way to take our deficit down in a way that makes sense, that spends less money, that ties revenues to expenditures, as any business person would do, and that is exactly what this commonsense, businesslike proposal does. I would recommend it to my colleagues. I hope they will consider it and I hope they will give it their independent thought and judgment. It deserves that.

Mr. KASICH. Mr. Chairman, how much time remains on both sides?

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] has 7½ minutes remaining, and the gentleman from Utah [Mr. ORTON] has 6 minutes and 50 seconds remaining.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] has the right to close.

Mr. ORTON. Mr. Chairman, I am happy to yield 1 minute to the gentleman from Minnesota [Mr. SABO], the ranking member of the Committee on the Budget.

Mr. SABO. Mr. Chairman, I thank the gentleman for yielding me this time.

Let me congratulate Messrs. ORTON, STENHOLM, BROWDER, and other Members who have presented this budget. I intend to vote for it. It represents a very substantial improvement over the Republican base bill, both as it relates to basic fiscal policy and as it relates to dealing with fundamental problems of the American people. I congratulate the gentleman on this amendment and wish him well. I hope his amendment prevails.

Mr. ORTON. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, we have a tall order before us, \$1.2 trillion in spending reductions to get to 2002 in a balanced budget.

The problem I have with the Kasich resolution to start with is it adds \$400 billion to that problem. It makes tough choices even tougher, \$70 billion more for defense and \$350 billion more out of revenues.

Second, these spending increases in defense are going into effect right now. They will be fully implemented in 2 fiscal years. We are marking up the defense budget \$9 billion now. Tax cuts will be implemented, but what do we do? We get spending out of Medicare and Medicaid.

If there is any lesson learned from the fiscal history of the last several years it is we have found these goals of reducing Federal health care entitlements very elusive, and if we do not reach those goals, this will make the deficit worse, not better. So Kasich is not a disciplined resolution. It is dangerous. The disciplined, doable resolution is the one before us, and we should all support it.

We have before us a tall order: according to CBO, we will need \$1,210 trillion in spending reduction to get to a balanced budget by 2002. This calls for tough choices, tougher than we have ever attempted in our efforts to get rid of the deficit.

The first problem I have with the Republican budget resolution is that it makes these choices even tougher. Over 7 years, the Kasich resolution adds \$70 billion to defense spending and takes \$350 billion away from revenues. So, instead of having to dig \$1,210 billion into spending, we have to dig deeper. We have to make \$1,600 billion in spending cuts over the next 7 years.

That's my first problem with the Kasich resolution. Here is the next. The tax cuts the Kasich resolution supports go into the Tax Code this year. The capital gains tax cut dates back to January 1, 1995, for example. The revenue losses are backloaded; and grow exponentially over time, but they begin immediately, in fiscal year 1995.

The plus-up in defense spending also begins immediately. Indeed, it goes into the defense authorization bill we are marking up right now, increasing defense spending \$9.5 billion beyond what the Pentagon sought for fiscal year 1996, and \$15.9 billion beyond what is programmed for fiscal year 1997.

With the \$70 billion plus-up in defense spending and the \$350 billion in tax cuts in the Kasich resolution, the deficit becomes worse and the solution gets harder. Stenholm-Orton is more likely to reach the target, because it forgoes tax cuts and holds the line on defense spending.

Stenholm-Orton is the conservative choice because it follows the lessons of history. If there is any lesson to be learned from history of the budget, it's that our efforts to cut or contain entitlement spending always fall far short of the goal. And here the Kasich budget resolution is bolder—some would say rasher—than anything anyone has ever proposed: \$288 billion in Medicare cuts, \$187 billion in Medicaid cuts. Can cuts on this order be achieved? Who knows? All we have before us are the numbers, not the policies.

If these huge numerical goals are not reached, what happens? Well, first of all, it will take 2 to 3 years to realize that the entitlement numbers are not tracking; and by that time, the defense spending increases will be in

place, and the tax cuts will be buried in the code. Both will be hard to root out and reverse. And the deficit—the deficit will be worse, not better.

That's the near-term risk, as I see it, with the Kasich resolution. Stenholm-Orton lowers that risk greatly by forgoing tax cuts, by holding the line on defense spending, and by targeting far more conservative savings on Medicare and Medicaid. So, Stenholm-Orton is better, because it's more likely to succeed.

There is a longer term problem with Kasich that has hardly been mentioned in this debate. Assuming the unlikely, assuming that in 2002, the budget is in balance, under the Kasich resolution, it does not stay in balance. It is not in equilibrium. That's because the tax cuts are back-loaded, and the wedge they take out of revenues keeps getting wider and wider in the out-years. In 2003, 2004, 2005, the revenue losses increase by over \$300 billion. So, under Kasich, when we get to 2002, we are not home-free, even if the budget that year is in balance; we have to get to keep on cutting Medicare and Medicaid and student loans, and so on, by another \$300–400 billion to make up for the additional revenue losses.

That is why Kasich is not a disciplined resolution; it's a dangerous resolution. It could lead us down the path to deeper deficits. Stenholm-Orton is not perfect, but it is disciplined and doable, and should be supported by all us.

Mr. KASICH. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. BROWNBACK], a member of the Committee on the Budget.

Mr. BROWNBACK. Mr. Chairman, I will make my comments brief. I applaud the coalition plan for coming forward. I appreciate that at least now there is something we can have discussion about. There has not been a Democrat alternative there, and I think that is a great failing on the part of the other side, so I am pleased we can now have at least a discussion about options.

One critical thing I would point out, and that is simply that if we are looking at growing this country and growing our way out of this debt, we have to have some growth built into it, and that is why we have to have the tax cuts, particularly the capital gains tax cuts, so we can grow the economy. The last two times this Nation has cut capital gains rates, under the Kennedy and Reagan administrations, revenues to the Federal Government actually grew. We need that in this plan. That is not in the alternative, the coalition plans, and it is one of the failings against it, and it is one of the reasons I will be voting against the coalition plan.

Mr. ORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. POSHARD].

(Mr. POSHARD asked and was given permission to revise and extend his remarks.)

Mr. POSHARD. Mr. Chairman, I rise in strong support of the Orton-Stenholm substitute.

Mr. Chairman, I rise in opposition to the leadership budget resolution and in favor of the approach offered by Congressman STENHOLM and other conservative Democrats.

I have been in Congress since 1989, and have tried my best during that time to learn

about the budget process and help people in Illinois understand the choices we face. I have held hundreds of town meetings where we have gone over the difficult decisions about which programs to cut and which must be spared. I have learned that while the issues are complex and the process highly technical, we reached this point today, where we run \$200 billion deficits and have a debt approaching \$5 trillion, by operating on a prescription for economic disaster.

For far too long, we've had leadership in the executive branch which opposed tax increases or even supported tax cuts, leadership in the legislature which refused to eliminate programs we couldn't afford, and a public which came to expect the best of all worlds—no tax increases, no program cuts and a balanced budget.

The Nation can no longer withstand this approach to spending. I have long sponsored a balanced budget amendment, knowing full well that at some point in time, I would have to vote on how to get us there. I am prepared to do that.

In any budget proposal, you can select one line and make a case for or against it. One of the key questions in this debate will be Medicare, so let me spend just a moment discussing why I oppose the leadership plan and support the budget offered by Congressman STENHOLM and other conservative Democrats.

You will hear a lot about Medicare cuts, and whether a reduction in growth is a cut or whether it's an increase in previous year spending. Let me try to address this question in a fairly simple way, using round numbers which are meant purely as a way of explaining the issue.

Suppose this year a certain medical procedure costs \$50. Medicare, using Federal tax dollars, pays the health care provider \$40, leaving the patient with a \$10 responsibility through a copayment, deductible or other expense. By the year 2002, suppose the same procedure costs \$75, and Medicare pays \$55, requiring the patient to make up the \$20 difference, a difference between provider cost and Government payment which has grown since 1995.

Any responsible budget proposal will require us to slow the growth of Medicare and ask beneficiaries to help us keep pace with the costs of the program. But the difference is the leadership proposal asks the elderly American to make up more of the costs in Medicare in order to finance \$350 billion in tax cuts for the wealthiest citizens of this country. In the Stenholm approach, we do ask folks to help us keep pace, but we don't ask them to subsidize tax breaks which this country can't afford.

There are items in every proposal we consider today which I strongly support and strongly oppose. But these proposals must be considered on balance and in their entirety.

The Stenholm proposal meets my broad standards for a good budget—tough spending cuts which occur early in the process and a recognition of priorities in health care, education and job creation. Most importantly, it does not cut programs for the average Americans to fund unwise and unnecessary tax cuts for the wealthiest of Americans. The best tax cut we can provide the American people is deficit reduction. And the best prescription for deficit reduction and economic growth is to cut Federal spending and balance the budget.

Mr. ORTON. Mr. Chairman, I yield 1 minute and 30 seconds to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, balancing the budget is like trying to take a sip out of a fire hydrant. Every time you try to do something like that, you get pushed back. It is very difficult to do. Mr. ORTON's bill that I strongly support does it. Mr. KASICH's bill that I will not support today does it as well, and I would explain why. I salute the gentleman from Ohio [Mr. KASICH] and have voted for most of his amendments to cut spending over the last 4 years.

First of all we have to make tough choices, but they have to result in fair cuts. The Kasich bill does not. It cuts Medicare by \$283 billion because it provides a tax cut. The best tax cut we can provide for all Americans, whether they make \$200,000 a year or \$20,000 a year, is to balance the budget and reduce the deficit.

Second, the budget on the Republican side cuts student loans by \$18 billion. Many students will not go to college, many of them will be forced to pick in a two-tiered process between some of the more expensive schools and a different set. We think all students should be able to provide open choices and not be limited by those choices by a \$18 billion cut.

Finally, I would say we need to even go further. I will support amendments and offer amendments to cut the space station, to cut star wars, and to cut the Central Intelligence Agency, but I salute both Mr. KASICH and Mr. ORTON.

Mr. ORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. BUNNING].

(Mr. BUNNING of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. BUNNING of Kentucky. Mr. Chairman, I rise in opposition to the Democratic substitute.

Mr. Chairman, I rise in opposition to the Gephardt substitute and in support of the Republican budget resolution and urge my colleagues to support it as well.

For years, people in this body have talked about balancing the budget. But nothing happened. Deficits keep rolling along. The debt kept climbing.

But now, we can change that. We have a budget resolution before us that will actually put us on a path to a balanced budget. We cannot afford to pass this opportunity.

Because of the election results last November, we have a window of opportunity that may never happen again. We have to do it now.

The Republican budget resolution we consider today is not perfect. It is definitely not easy. But it puts us on a path to a balanced budget and we have done it in a way that makes spending reductions as fairly and as honestly as we could.

Make no mistake about it, Congress is going to be forced, under this budget, to make some very hard choices. That's what leadership is all about.

Unfortunately, the administration provided nothing in the way of leadership. The Clinton budget was nothing more than status quo—business as usual in large letters—and large numbers—\$200 billion deficits as far as the eye can see. As a result, no one on the minority side even plans to offer the Clinton "deficits forever" budget as an alternative today.

On the other hand, we promised that we would produce a proposal that would lead to a balanced budget by the year 2002—we did it.

We promised the American people that we would produce a budget that provided them much needed tax relief—we did it.

And finally, we promised that we would produce a budget that protects the Social Security trust fund and protects Social Security benefits.

And as the chairman of the Social Security Subcommittee, I am proud to say, we did it.

So, we have a window of opportunity to provide the kind of leadership our Nation deserves—the kind of leadership the next generation deserves. Honest leadership—leadership that keeps its promises. Our budget fully preserves and protects Social Security. Our budget assumes absolutely no changes—no changes of any kind—in the Social Security Program. No COLA cuts. No benefit cuts. No tax increases.

Unfortunately, there are those who prefer the status quo and who are willing to resort to all sorts of fear-mongering and false statements designed to frighten senior citizens.

They used these tactics to help kill—at least temporarily—the balanced budget amendment in the Senate. They suggested that a balanced budget amendment would result in cuts in Social Security benefits.

Our budget resolution today proves them wrong. We can—and we will—balance the budget without damaging Social Security.

In fact, the majority proposal today would actually strengthen Social Security.

As it stands right now, the greatest single threat to the long term solvency of Social Security is continued runaway Federal spending.

A balanced budget is the greatest guarantee possible that the promise of Social Security will be kept.

A balanced budget is the best long-term protection that we can offer for the Social Security trust fund. And our budget will put us on a realistic path to a balanced budget.

If you want to vote to preserve and strengthen Social Security—you can vote for the majority budget and feel confident that you are doing the right thing.

This is the right thing to do.

Unfortunately, some of our colleagues here in the House have chosen to demagogue the issue. They are distorting one of the economic assumptions in the Republican budget resolution to suggest that Republicans are trying to cut Social Security COLA's or to raise taxes because of anticipated adjustments in the Consumer Price Index.

This is pure hogwash. It is totally dishonest.

Our economic assumptions do assume that the Bureau of Labor Statistics will make a correction in the way the Consumer Price Index is computed. Every 10 years the Bureau of Labor Statistics does review the CPI and does make adjustments to make sure that it measures inflation correctly.

Economists generally agree that the CPI currently overinflates the rate of inflation by any where between .5 and 1.5 percent. It is

generally assumed by honest Republicans and Democrats that the Bureau of Labor statistics will correct this problem in 1998 when they make their next round of CPI adjustments.

For this reason, we included, in our budget, an estimate of a .6 percent adjustment in the CPI to take effect in 1999. This is not something Republicans in Congress will do—it is something we assume that the BLS will do.

Some people are characterizing this as a Republican COLA cut for Social Security and a tax increase. This is totally dishonest and hypocritical.

I would like to point out that in 1987, when the Democrats controlled Congress, the Bureau of Labor statistics made a .4 percent downward adjustment in the CPI. No one called that a Democrat COLA cut. It was a technical correction.

And I would also like to point out that Mr. GEPHARDT's substitute budget today includes economic assumptions that also include a .5 percent downward adjustment in the CPI in 1999—almost identical to the Republican estimate.

If you vote for Gephardt, you are voting for virtually the same CPI adjustment as the one included in the Republican budget.

So my friends, don't play fast and loose with the truth and try to scare senior citizens. We are not cutting COLA's—we are not cutting benefits.

The fact of the matter is that, no matter what the Bureau of Labor statistics does in 1988, the Republican budget does nothing to change Social Security law, Social Security benefits or Social Security COLA's.

Mr. KASICH. Mr. Chairman, I yield 2½ minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the distinguished chairman for yielding the time to me.

Mr. Chairman, I rise in strong support of House Concurrent Resolution 67, the House budget resolution, and in opposition to the Gephardt substitute. Let me just say I think it is a tremendous effort by those who believe in the necessities to cut budgets that they have put this forward, but I happen to believe that the right vehicle is the Kasich budget which we are working on here today.

As one who has balanced budgets eight times, as one who has seen the States of the United States of America address this problem of deficits and realize that the only way to manage the economies of the States and the economies of the United States of America is to balance the budgets, I stand here pleading with each and every one of us to support the budget resolution, which we are ultimately going to go to today.

We all talk as politicians about tough choices and setting priorities, and then when it comes down to it and you really are starting to make tough choices and you really are starting to set priorities, people start to say well, we are cutting too much. It hurts the young people too much, it hurts the old people too much, it hurts the colleges too much, or whatever it may be. The bottom line is what has hurt the United States of America is the tremendous

deficit each year and debt we have accumulated, and all of the payments on that debt and the impact which that has on the economy of the United States of America.

The gentleman from Ohio [Mr. KASICH] last year, to his everlasting credit, came forward when a lot of Republicans said do not do it and presented a budget that would eventually have us in balance by the year 2002. This year he is in the majority and he has done so again, and he has put some very tough choices in there, and I recognize that and I think that is vitally important.

There is discussion of taxes. And as some Members know, as the gentleman from Utah [Mr. ORTON] knows, three of us got together and worked with others to make absolutely sure that we would not have tax reductions until such time as we had the full budget reconciliation in place, and there has been some question raised about that. But I want to assure the gentleman from Utah [Mr. ORTON] in particular that I have talked with our leadership on a number of occasions about the importance of that, the enforcement of that, and that it should not happen and will not happen regardless of how we separate reconciliation. So I am convinced that there will be no tax cuts until we have the balanced budget in place.

I congratulate the gentleman. I do not stand in support of what the gentleman is doing today because I do support the gentleman from Ohio [Mr. KASICH]. I think it is the way to go. But I congratulate the gentleman's side for coming forward with this, but I think we need to move forward with the process that well could go for 4 or 5 more months, and hopefully at the end of this we will have done what we were sent here for, to start to balance the budget of the United States of America, and if we do that I hope we receive the credit we deserve for it.

Mr. Chairman, I rise in strong support of House Concurrent Resolution 67, the House budget resolution and in opposition to the Gephardt substitute.

First, let me say that I have the highest respect for Mr. ORTON and Mr. STENHOLM, the authors of the Gephardt substitute. I believe they are truly committed to balancing the budget. Their work is a good faith effort to put forward an alternative budget resolution.

However, I find it very troubling that this is the first time that Mr. GEPHARDT and the Democratic leadership have endorsed a balanced budget plan. I cannot help believe that if the old leadership were still in control of this House that the Stenholm-Orton budget would not have had the support of the Democratic leadership and probably would not have been permitted to be offered.

The fact of the matter is that the Republican Party has listened to the American people and has put forward a real plan to balance the budget. The Democrats have been forced to scramble to say "me too" to the American people. I applaud Mr. STENHOLM and Mr. ORTON for their alternative, but does it have the honest support of the Democratic Party? Let's remember that the 1993 Democratic budget resolution relied overwhelmingly on tax

increases to achieve deficit reduction and that the President's 1996 budget simply gives up on deficit reduction and would accept \$200 billion deficits for the next 5 years and higher deficits after that.

Mr. Chairman, I do not agree with every aspect of the House budget resolution. There are some areas of the budget I would allocate more funding to and some I would cut more from. I may even agree with some of the proposals in the Stenholm-Orton budget. But, JOHN KASICH and the House Budget Committee have been true leaders in the effort to put forward an honest budget that gets us to balance in the year 2002. This is a historic and tremendously difficult task and they have done it.

Politicians love to talk about making the tough choices and setting priorities. Now we have finally arrived at a point when tough choices are being made and priorities are being set. Now what we hear from the other side is that the choices are too tough and the priorities are wrong. The House budget resolution is an honest plan to get this Government to a balanced budget by the year 2002. I do not agree with every part of the budget, but am willing to take up the task of making these decisions and finding alternatives to the choices I do not agree with. I support the Kasich budget resolution.

There is another issue I would like to address. I am one of the authors of the Castle-Upton-Martini amendment to the recent tax relief bill. This amendment commits the House to ensuring that no tax cuts will become law until Congress passes budget reconciliation legislation to put the directions of this budget resolution into effect. Our commitment to that process has not changed. Despite the assertions of some of my colleagues on the other side of the aisle, no tax cuts will become law until all parts of the budget reconciliation process is completed. While the reform of the Medicare Program will take some additional time this year, the other budget decisions and potential tax cuts will not become law without action on Medicare. I will work with all interested Members on this issue as the reconciliation process proceeds.

Mr. Chairman, the House budget resolution is the first step on the vital journey to a balanced budget. I urge its approval and rejection of the proposed substitutes.

Mr. ORTON. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I rise in strong support of the Orton-Stenholm coalition budget and in opposition to the Republican budget. The coalition budget just proves everybody that if you do not cut taxes, you do not have to kill Medicare and our senior citizens. It is proof that you can have a balanced budget by 2002 without making the massive cuts in Medicare and our senior citizens.

Mr. ORTON. Mr. Chairman, I yield the balance of my time, 3 minutes and 30 seconds, to the gentleman from Texas [Mr. STENHOLM], a member of the Committee on the Budget.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise in extremely good conscience in

support of the coalition balanced budget bill amendment before us today.

There has been a lot of good, in fact, excellent debate during the past few days and few weeks, and in those cases of elevated debate, my respect for the gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] has grown considerably, and I consider them two of the most conscientious and philosophically honest leaders in this body.

There has also been some less-than-excellent or honorable debate during the past 2 days and some of which I have heard in the past 1 hour; much fuzzing the truth around the edges, much exaggeration, much failing to treat the opinion of others with respect.

That is why I want to reiterate a few simple facts about the amendment we are about to vote upon. These facts imply an undergirding philosophy as pertains to people, real people, from the philosophy of the committee resolution.

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These are honest differences of priority. And they should be dealt with honestly.

First, this budget not only reaches a surplus in the year 2002, but it does so on a glide path that means we will borrow \$160 billion less over the next 7 years than the committee resolution, \$160 billion less.

No one needs to convince this Member of the urgency of reducing our debt and deficit. To those Members on the other side who have focused their message on the gospel of debt reduction, I urge you to consider that this substitute is the one which provides the greatest debt reduction.

Second, I have heard many on the other side say we Democrats cannot ever bring ourselves to support spending cuts. Let me point out this substitute cuts \$18.2 billion more in the first 2 years, coincidentally, 2 years before the next election.

Granted, the committee bill makes many more cuts from rates of increase, most notably \$109 billion more in Medicare and \$50 billion more in Medicaid over these 7 years. Those and other cuts are necessary to balance out the tax cut.

Make no mistake, our cuts are there, but they are there in a way, we believe, that avoids the possible destruction of critically important programs to many people of America.

The third and final fact is that our substitute will not encourage us to repeat the mistakes of the early 1980's. We understand that making the Medicare reforms the right way will take some time, and I am not criticizing the motives of the chairman, the gentleman from Ohio [Mr. KASICH], for establishing two reconciliation bills.

Motives aside, however, I have tremendous fear the results will be yet one more example of enacting the easy things, the popular things, like cutting

taxes, and never quite getting around to making the tough 218-vote decisions that are going to be required.

We have a great opportunity today to pass the first balanced budget this House has approved in decades. Let us do it the right way. Support the coalition balanced budget amendment.

Mr. KASICH. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, first of all, I say that I do want to compliment the coalition for putting this together, because in 1993 you all know what I went through when I wanted to be specific. I bruised elbows and knees getting tackled in the hallway on the marble when people said, "Please, don't lay anything down. It is not good."

My biggest problem with the proposal is the fact, as I had said earlier, that \$233 billion in additional spending beyond the Domenici budget, of course, cancels out any possibility of taking that money and giving it back to taxpayers in the form of tax relief. You see, in this proposal it is no longer an issue of whether we can afford it. It really gets to be an issue of whether we can afford to let people spend their money the way they see fit or whether we keep it in the hands of government and let bureaucrats spend it the way they see fit.

Our approach is we ought to take the savings, and we ought to use it to give people their money back and to shrink the size and the scope of the Federal Government and let people spend money on their children, on their nutrition, and on their clothing, and really, frankly, in any way they see fit, as opposed to taking the \$233 billion and using it on additional Federal programs.

We have a chance here today to do something historic, and that is to not just get to zero and balance the budget but also to keep our word in terms of giving hard-working American families some of their money back and, in addition to that, to provide growth incentives, growth incentives in the economy so we can create more jobs and more opportunity.

I would compliment the gentlemen and gentlewomen for coming forward with the proposal. It is in the right direction, but in the right direction is not good enough when you are in the middle of a revolution.

I would urge rejection of this proposal and ultimately approval of the Republican Committee on the Budget blueprint.

Ms. HARMAN. Mr. Chairman, I supported the balanced budget amendment and, over two Congresses, I have a strong record of supporting budget cuts and budget process reforms.

In doing so, I have not been afraid to stand up to my own party, the President, important interest groups, and, in some cases, my own husband.

I have often sided with the chairman of the Budget Committee, Mr. KASICH, as he well knows. One example is my support last year of Penny-Kasich, which would cut another \$90

billion from the budget. Another is his proposal on baseline budgeting, but I cannot join him today.

The budget resolution as reported from the Budget Committee lacks the fairness and bipartisanship of many prior proposals.

The resolution assaults with equal bluntness programs which nurture investment in technologies for our country and programs which help students and workers acquire skills and knowledge and the tools they will need to succeed in the 21st century. The resolution makes no distinction in targeting investments in infrastructure, science, and health-related research, environmental protection, veterans, or fighting crime. In fact, to some it is a badge of honor that all areas of the budget are targeted. To be sure, current budget constraints force us to make difficult choices, but they should not force us to make stupid choices—choices like cutting taxes when budget savings should go to deficit reduction or critical investments we have too-long delayed; choices that cut Medicare in the absence of reforms to mitigate the factors that drive up costs; choices that retreat from investments in technology and science and the educational resources which will make or break our Nation's ability to compete in the next century, and choices that hurt children.

I have demonstrated that I can take tough votes. But I do so when I feel the option is fair and far-sighted.

I cannot vote for the Budget Committee's proposal.

Ms. FURSE. Mr. Chairman, I rise today in support of the Stenholm-Orton proposal to balance the budget. It is time that we balance the budget to stop mortgaging our children's future, and we make serious choices about our priorities. I support the Stenholm proposal too because it balances the budget by the year 2002 by cutting spending, does not raise taxes, and does not include a \$350 billion tax cut we cannot afford.

This proposal does not attack the Pacific Northwest's future like the Republican plan. I am pleased that the Stenholm proposal does not eliminate student loans for 90,000 Oregon students, like the Republican bill. In addition, the Stenholm plan does not change our labor laws which encourages family wages or include changes in Federal employee contributions. It does not jeopardize the small business and export programs which have helped Oregon increase trade by 40 percent since 1992. It is also far better than the committee bill in terms of Medicare and Medicaid, restoring over \$100 billion in funding.

Let me note that no balanced budget proposal will be perfect; there is something to dislike in every balanced budget. While I believe the Stenholm proposal is wise to reject the Republican's overall \$100 billion Pentagon spending increase, I believe it is wrong to increase any funding for the Defense Department. Study after study, and report after report confirms that billions of dollars are wasted in unnecessary spending in the Pentagon budget. I have authored amendments and bills to cut up to \$8 billion in outdated programs. And my bill to use commercial aircraft to augment our military airlift saves \$15 billion—the same amount that is increased in the Stenholm-Orton plan. The Stenholm-Orton plan does delay any increase until after the year 2000, and I pledge to fight any proposed increases in Pentagon spending.

With reservations in the area of Pentagon spending, I believe we all must put our individual objections aside and focus on doing what is right for our Nation's future. Balancing the budget without raising taxes is doing what is right. I urge all my colleagues to support the Stenholm-Orton plan to balance the budget by the year 2002 by cutting spending.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Missouri [Mr. GEPHARDT].

The question was taken; and the Chairman announced that the noes appeared to have it.

#### RECORDED VOTE

Mr. ORTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 100, noes 325, answered "present" 1, not voting 9, as follows:

[Roll No. 342]

#### AYES—100

Abercrombie	Gunderson	Orton
Ackerman	Hall (OH)	Pallone
Andrews	Hall (TX)	Payne (VA)
Baessler	Hamilton	Peterson (FL)
Baldacci	Harman	Peterson (MN)
Barrett (WI)	Hayes	Pomeroy
Beilenson	Hefner	Poshard
Bentsen	Horn	Quinn
Bevill	Hoyer	Richardson
Brewster	Jackson-Lee	Roemer
Browder	Jacobs	Rose
Brown (CA)	Jefferson	Roukema
Cardin	Johnson (CT)	Sabo
Chapman	Kennedy (MA)	Sawyer
Clayton	Kennelly	Schroeder
Clement	Klug	Scott
Clyburn	LaFalce	Sisisky
Condit	Laughlin	Skaggs
Conyers	Lincoln	Slaughter
Cramer	Lipinski	Spratt
Danner	Luther	Stark
Davis	McCarthy	Stenholm
de la Garza	McHale	Tanner
Dicks	McNulty	Tauzin
Dingell	Meehan	Taylor (MS)
Dixon	Meek	Thornton
Dooley	Minge	Upton
Doyle	Montgomery	Vento
Duncan	Moran	Visclosky
Eshoo	Morella	Volkmer
Fazio	Murtha	Watt (NC)
Furse	Oberstar	Wynn
Geren	Olver	
Gibbons	Ortiz	

#### NOES—325

Allard	Brown (FL)	Collins (MI)
Archer	Brown (OH)	Combest
Armey	Brownback	Cooley
Bachus	Bryant (TN)	Costello
Baker (CA)	Bryant (TX)	Cox
Baker (LA)	Bunn	Coyne
Ballenger	Bunning	Crane
Barcia	Burr	Crapo
Barr	Burton	Creameans
Barrett (NE)	Buyer	Cubin
Bartlett	Callahan	Cunningham
Barton	Calvert	Deal
Bass	Camp	DeFazio
Bateman	Canady	DeLauro
Becerra	Castle	DeLay
Bereuter	Chabot	Dellums
Bilbray	Chambliss	Deutsch
Bilirakis	Chenoweth	Diaz-Balart
Bishop	Christensen	Dickey
Bliley	Chrysler	Doggett
Blute	Clay	Dolittle
Boehlert	Clinger	Dorman
Boehner	Coble	Dreier
Bonilla	Coburn	Dunn
Bonior	Coleman	Durbin
Borski	Collins (GA)	Edwards
Boucher	Collins (IL)	Ehlers

Ehrlich	Kingston	Reynolds
Emerson	Klink	Riggs
Engel	Knollenberg	Rivers
English	Kolbe	Roberts
Ensign	LaHood	Rogers
Evans	Lantos	Rohrabacher
Everett	Largent	Ros-Lehtinen
Ewing	Latham	Roth
Farr	LaTourette	Roybal-Allard
Fattah	Lazio	Royce
Fawell	Leach	Rush
Fields (LA)	Levin	Salmon
Fields (TX)	Lewis (CA)	Sanders
Filner	Lewis (GA)	Sanford
Flake	Lewis (KY)	Saxton
Flanagan	Lightfoot	Scarborough
Foglietta	Linder	Schaefer
Foley	Livingston	Schiff
Forbes	LoBiondo	Schumer
Ford	Lofgren	Seastrand
Fowler	Longley	Sensenbrenner
Fox	Lowe	Shadegg
Frank (MA)	Lucas	Shaw
Franks (CT)	Maloney	Shays
Franks (NJ)	Manton	Shuster
Frelinghuysen	Manzullo	Skeen
Frisa	Markey	Skelton
Frost	Martinez	Smith (NJ)
Funderburk	Martini	Smith (TX)
Gallely	Mascara	Smith (WA)
Ganske	Matsui	Solomon
Gejdenson	McCollum	Souder
Gekas	McCrery	Spence
Gephardt	McDade	Stearns
Gilchrest	McDermott	Stockman
Gillmor	McHugh	Stokes
Gilman	McInnis	Studds
Gingrich	McKeon	Stump
Gonzalez	McKinney	Stupak
Goodlatte	Menendez	Talent
Goodling	Metcalf	Tate
Gordon	Meyers	Taylor (NC)
Goss	Mfume	Tejeda
Graham	Mica	Thomas
Green	Miller (CA)	Thompson
Greenwood	Miller (FL)	Thornberry
Gutierrez	Mineta	Thurman
Gutknecht	Mink	Tiahrt
Hancock	Moakley	Torkildsen
Hansen	Molinari	Torres
Hastert	Mollohan	Towns
Hastings (FL)	Moorhead	Traficant
Hastings (WA)	Myers	Tucker
Hayworth	Myrick	Velazquez
Hefley	Nadler	Vucanovich
Heineman	Neal	Waldholtz
Henger	Nethercutt	Walker
Hilleary	Neumann	Walsh
Hilliard	Ney	Wamp
Hinchey	Norwood	Ward
Hobson	Nussle	Waters
Hoekstra	Obey	Watts (OK)
Holden	Owens	Waxman
Hostettler	Oxley	Weldon (FL)
Houghton	Packard	Weldon (PA)
Hunter	Parker	Weller
Hutchinson	Pastor	White
Hyde	Paxon	Whitfield
Inglis	Payne (NJ)	Wicker
Istook	Pelosi	Williams
Johnson (SD)	Petri	Wilson
Johnson, E. B.	Pickett	Wise
Johnson, Sam	Pombo	Wolf
Johnston	Porter	Woolsey
Jones	Portman	Wyden
Kanjorski	Pryce	Yates
Kasich	Quillen	Young (AK)
Kelly	Radanovich	Young (FL)
Kennedy (RI)	Rahall	Zeliff
Kildee	Ramstad	Zimmer
Klim	Reed	
King	Regula	

ANSWERED "PRESENT"—1

Kaptur

NOT VOTING—9

Berman	Klecza	Serrano
Bono	McIntosh	Smith (MI)
Hoke	Rangel	Torricelli

□ 1208

Messrs. STOCKMAN, MARTINEZ, CHRISTENSEN, BUYER, and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from "aye" to "no."

Mr. KENNEDY of Massachusetts and Mr. VENTO changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule it is now in order to consider an amendment in the nature of a substitute to be offered by the gentleman from Wisconsin [Mr. NEUMANN] or the gentleman from New York [Mr. SOLOMON] consisting of the text of House Concurrent Resolution 66.

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. NEUMANN

Mr. NEUMANN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. NEUMANN: Strike out all after the resolving clause and insert in lieu thereof the following:

#### SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as required by section 301 of the Congressional Budget Act of 1974.

#### SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: \$1,056,600,000,000.  
Fiscal year 1997: \$1,057,400,000,000.  
Fiscal year 1998: \$1,096,300,000,000.  
Fiscal year 1999: \$1,138,900,000,000.  
Fiscal year 2000: \$1,187,200,000,000.  
Fiscal year 2001: \$1,240,700,000,000.  
Fiscal year 2002: \$1,300,500,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: \$13,600,000,000.  
Fiscal year 1997: —\$26,600,000,000.  
Fiscal year 1998: —\$38,700,000,000.  
Fiscal year 1999: —\$48,100,000,000.  
Fiscal year 2000: —\$57,800,000,000.  
Fiscal year 2001: —\$70,300,000,000.  
Fiscal year 2002: —\$80,500,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: \$101,900,000,000.  
Fiscal year 1997: \$105,900,000,000.  
Fiscal year 1998: \$110,500,000,000.  
Fiscal year 1999: \$115,600,000,000.  
Fiscal year 2000: \$120,700,000,000.  
Fiscal year 2001: \$125,900,000,000.  
Fiscal year 2002: \$130,900,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: \$1,219,700,000,000.  
Fiscal year 1997: \$1,236,000,000,000.  
Fiscal year 1998: \$1,251,900,000,000.  
Fiscal year 1999: \$1,253,800,000,000.  
Fiscal year 2000: \$1,275,300,000,000.  
Fiscal year 2001: \$1,312,600,000,000.  
Fiscal year 2002: \$1,359,600,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: \$1,238,700,000,000.  
Fiscal year 1997: \$1,245,700,000,000.  
Fiscal year 1998: \$1,251,200,000,000.  
Fiscal year 1999: \$1,233,400,000,000.  
Fiscal year 2000: \$1,260,700,000,000.  
Fiscal year 2001: \$1,302,800,000,000.  
Fiscal year 2002: \$1,352,400,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: \$182,100,000,000.  
Fiscal year 1997: \$188,300,000,000.  
Fiscal year 1998: \$154,900,000,000.  
Fiscal year 1999: \$94,500,000,000.  
Fiscal year 2000: \$73,500,000,000.  
Fiscal year 2001: \$62,100,000,000.  
Fiscal year 2002: \$51,900,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: \$5,214,000,000,000.  
Fiscal year 1997: \$5,470,000,000,000.  
Fiscal year 1998: \$5,697,000,000,000.  
Fiscal year 1999: \$5,896,000,000,000.  
Fiscal year 2000: \$6,081,000,000,000.  
Fiscal year 2001: \$6,157,000,000,000.  
Fiscal year 2002: \$6,216,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:

(A) New direct loan obligations, \$18,200,000,000.

(B) New primary loan guarantee commitments, \$170,600,000,000.

Fiscal year 1997:

(A) New direct loan obligations, \$17,200,000,000.

(B) New primary loan guarantee commitments, \$167,800,000,000.

Fiscal year 1998:

(A) New direct loan obligations, \$16,200,000,000.

(B) New primary loan guarantee commitments, \$165,000,000,000.

Fiscal year 1999:

(A) New direct loan obligations, \$15,200,000,000.

(B) New primary loan guarantee commitments, \$162,200,000,000.

Fiscal year 2000:

(A) New direct loan obligations, \$14,200,000,000.

(B) New primary loan guarantee commitments, \$159,400,000,000.

Fiscal year 2001:

(A) New direct loan obligations, \$14,200,000,000.

(B) New primary loan guarantee commitments, \$159,400,000,000.

Fiscal year 2002:

(A) New direct loan obligations, \$14,200,000,000.

(B) New primary loan guarantee commitments, \$159,400,000,000.

#### SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, \$261,200,000,000.

(B) Outlays, \$260,000,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$260,000,000,000.

(B) Outlays, \$260,000,000,000.



(C) New direct loan obligations, \$20,000,000.

(E) New secondary loan guarantee commitments, \$0.

(A) New budget authority, \$30,000,000,000.

(B) Outlays, \$29,000,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:  
(A) New budget authority, \$31,000,000,000.

(A) New budget authority, \$31,000,000,000.  
(B) Outlays, \$31,000,000,000.  
(C) New direct loan obligations, \$200,000,000.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:  
(A) New budget authority \$32 000 000 000

(B) Outlays, \$32,000,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(9) Community and Regional Development  
(450):

(9) Community and Regional Development  
(450):

Fiscal year 1996:

- (A) New budget authority, \$6,600,000,000.
- (B) Outlays, \$10,200,000,000.
- (C) New direct loan obligations, \$0.
- (D) New primary loan guarantee commitments, \$0.
- (E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority \$6 600 000 000

(C) New direct loan obligations. \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$6,400,000,000.  
(B) Outlays, \$6,000,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$6,400,000,000.  
(B) Outlays, \$6,000,000,000.

(D) New primary loan guarantee commitments.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:  
(A) New budget authority \$6 200 000 000

(C) New direct loan obligations. \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:  
(A) New budget authority, \$7,000,000,000.  
(B) Outlays, \$7,000,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$7,500,000,000.  
(B) Outlays, \$7,500,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commit-

(E) New secondary loan guarantee commitments, \$0.

ments, \$0.

ments, \$0.

(A) New budget authority, \$2,000,000,000.





Fiscal year 2000:  
(A) New budget authority, \$12,400,000,000.  
(B) Outlays, \$12,200,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:  
(A) New budget authority, \$12,400,000,000.  
(B) Outlays, \$12,200,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:  
(A) New budget authority, \$12,400,000,000.  
(B) Outlays, \$12,200,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

(18) Net Interest (900):  
Fiscal year 1996:  
(A) New budget authority, \$297,100,000,000.  
(B) Outlays, \$297,100,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$305,600,000,000.  
(B) Outlays, \$305,600,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$309,800,000,000.  
(B) Outlays, \$309,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$315,800,000,000.  
(B) Outlays, \$315,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:  
(A) New budget authority, \$321,200,000,000.  
(B) Outlays, \$321,200,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:  
(A) New budget authority, \$326,000,000,000.  
(B) Outlays, \$326,000,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:  
(A) New budget authority, \$332,000,000,000.  
(B) Outlays, \$332,000,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

(19) Allowances (920):  
Fiscal year 1996:  
(A) New budget authority, –\$14,500,000,000.  
(B) Outlays, –\$12,300,000,000.  
(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, —\$15,100,000,000.

(B) Outlays, —\$13,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, —\$15,400,000,000.

(B) Outlays, —\$13,400,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, —\$33,900,000,000.

(B) Outlays, —\$32,900,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, —\$38,500,000,000.

(B) Outlays, —\$38,500,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, —\$32,800,000,000.

(B) Outlays,

(C) New direct loan obligations, —\$32,800,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, —\$20,800,000,000.

(B) Outlays, —\$20,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1996:

(A) New budget authority, —\$1,300,000,000.

(B) Outlays, —\$31,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, —\$31,200,000,000.

(B) Outlays, —\$31,200,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, —\$31,900,000,000.

(B) Outlays, —\$31,900,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, —\$35,800,000,000.

(B) Outlays, —\$35,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, —\$36,800,000,000.

(B) Outlays, —\$36,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, —\$35,600,000,000.

(B) Outlays, —\$35,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, —\$37,700,000,000.

(B) Outlays, —\$37,700,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

#### SEC. 4. RECONCILIATION.

(a) Not later than July 14, 1995, the House committees named in subsections (b) through (o) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$6,200,000,000 in budget authority and \$6,200,000,000 in outlays in fiscal year 1996, \$11,500,000,000 in budget authority and \$11,500,000,000 in outlays in fiscal year 1997, \$14,400,000,000 in budget authority and \$14,400,000,000 in outlays in fiscal year 1998, \$17,100,000,000 in budget authority and \$17,100,000,000 in outlays in fiscal year 1999, \$19,400,000,000 in budget authority and \$19,400,000,000 in outlays in fiscal year 2000, \$21,100,000,000 in budget authority and \$21,100,000,000 in outlays in fiscal year 2001, and \$23,600,000,000 in budget authority and \$23,600,000,000 in fiscal year 2002.

(c) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 1996, \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 1997, \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 1998, \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 1999, \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 2000, \$800,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 2001, and \$800,000,000 in budget authority and \$800,000,000 in fiscal year 2002.

(d) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$19,900,000,000 in budget authority and \$19,300,000,000 in outlays in fiscal year 1996, \$36,800,000,000 in budget authority and \$37,200,000,000 in outlays in fiscal year 1997, \$55,900,000,000 in budget authority and \$56,100,000,000 in outlays in fiscal year 1998, \$80,300,000,000 in budget authority and \$79,700,000,000 in outlays in fiscal year 1999, \$100,600,000,000 in budget authority and \$100,800,000,000 in outlays in fiscal year 2000, \$124,900,000,000 in budget authority and \$124,900,000,000 in outlays in fiscal year 2001, and \$148,400,000,000 in budget authority and \$148,400,000,000 in fiscal year 2002.

(e) The House Committee on Economic and Educational Opportunities shall report

changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,600,000,000 in budget authority and \$1,600,000,000 in outlays in fiscal year 1996, \$2,500,000,000 in budget authority and \$2,500,000,000 in outlays in fiscal year 1997, \$2,600,000,000 in budget authority and \$2,600,000,000 in outlays in fiscal year 1998, \$2,800,000,000 in budget authority and \$2,800,000,000 in outlays in fiscal year 1999, \$2,900,000,000 in budget authority and \$2,900,000,000 in outlays in fiscal year 2000, \$3,100,000,000 in budget authority and \$3,100,000,000 in outlays in fiscal year 2001, and \$3,300,000,000 in budget authority and \$3,300,000,000 in fiscal year 2002.

(f) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,800,000,000 in budget authority and \$1,800,000,000 in outlays in fiscal year 1996, \$2,600,000,000 in budget authority and \$2,600,000,000 in outlays in fiscal year 1997, \$2,900,000,000 in budget authority and \$2,900,000,000 in outlays in fiscal year 1998, \$2,900,000,000 in budget authority and \$2,900,000,000 in outlays in fiscal year 1999, \$2,900,000,000 in budget authority and \$2,900,000,000 in outlays in fiscal year 2000, \$2,900,000,000 in budget authority and \$2,900,000,000 in outlays in fiscal year 2001, and \$2,900,000,000 in budget authority and \$2,900,000,000 in fiscal year 2002.

(g) The House Committee on International Relations shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$0 in budget authority and \$0 in outlays in fiscal year 1996, \$0 in budget authority and \$0 in outlays in fiscal year 1997, \$0 in budget authority and \$0 in outlays in fiscal year 1998, \$0 in budget authority and \$0 in outlays in fiscal year 1999, \$0 in budget authority and \$0 in outlays in fiscal year 2000, \$0 in budget authority and \$0 in outlays in fiscal year 2001, and \$0 in budget authority and \$0 in fiscal year 2002.

(h) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,000,000,000 in budget authority and \$750,000,000 in outlays in fiscal year 1996, \$1,000,000,000 in budget authority and \$800,000,000 in outlays in fiscal year 1997, \$1,000,000,000 in budget authority and \$900,000,000 in outlays in fiscal year 1998, \$1,000,000,000 in budget authority and \$1,000,000,000 in outlays in fiscal year 1999, \$1,000,000,000 in budget authority and \$1,000,000,000 in outlays in fiscal year 2000, \$1,000,000,000 in budget authority and \$1,000,000,000 in outlays in fiscal year 2001, and \$1,000,000,000 in budget authority and \$1,000,000,000 in fiscal year 2002.

(i) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$0 in budget authority and \$0 in outlays in fiscal year 1996, \$0 in budget authority and \$0 in outlays in fiscal year 1997, \$0 in budget authority and \$0 in outlays in fiscal year 1998, \$0 in budget authority and \$0 in outlays in fiscal year 1999, \$0 in budget authority and \$0 in outlays in fiscal year 2000, \$0 in budget authority and \$0 in outlays in fiscal year 2001, and \$0 in budget authority and \$0 in fiscal year 2002.

(j) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays

as follows: \$4,200,000,000 in budget authority and \$4,100,000,000 in outlays in fiscal year 1996, \$5,800,000,000 in budget authority and \$5,800,000,000 in outlays in fiscal year 1997, \$5,000,000,000 in budget authority and \$5,000,000,000 in outlays in fiscal year 1998, \$3,900,000,000 in budget authority and \$3,900,000,000 in outlays in fiscal year 1999, \$4,000,000,000 in budget authority and \$4,000,000,000 in outlays in fiscal year 2000, \$3,400,000,000 in budget authority and \$3,400,000,000 in outlays in fiscal year 2001, and \$3,400,000,000 in budget authority and \$3,400,000,000 in fiscal year 2002.

(k) The House Committee on Science shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$0 in budget authority and \$0 in outlays in fiscal year 1996, \$0 in budget authority and \$0 in outlays in fiscal year 1997, \$0 in budget authority and \$0 in outlays in fiscal year 1998, \$0 in budget authority and \$0 in outlays in fiscal year 1999, \$0 in budget authority and \$0 in outlays in fiscal year 2000, \$0 in budget authority and \$0 in outlays in fiscal year 2001, and \$0 in budget authority and \$0 in fiscal year 2002.

(l) The House Committee on Small Business shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$0 in budget authority and \$0 in outlays in fiscal year 1996, \$0 in budget authority and \$0 in outlays in fiscal year 1997, \$0 in budget authority and \$0 in outlays in fiscal year 1998, \$0 in budget authority and \$0 in outlays in fiscal year 1999, \$0 in budget authority and \$0 in outlays in fiscal year 2000, \$0 in budget authority and \$0 in outlays in fiscal year 2001, and \$0 in budget authority and \$0 in fiscal year 2002.

(m) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$5,000,000,000 in budget authority and \$0 in outlays in fiscal year 1996, \$8,200,000,000 in budget authority and \$0 in outlays in fiscal year 1997, \$8,500,000,000 in budget authority and \$0 in outlays in fiscal year 1998, \$8,800,000,000 in budget authority and \$0 in outlays in fiscal year 1999, \$9,100,000,000 in budget authority and \$0 in outlays in fiscal year 2000, \$9,400,000,000 in budget authority and \$0 in outlays in fiscal year 2001, and \$9,800,000,000 in budget authority and \$0 in fiscal year 2002.

(n) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,100,000,000 in budget authority and \$1,000,000,000 in outlays in fiscal year 1996, \$1,200,000,000 in budget authority and \$1,200,000,000 in outlays in fiscal year 1997, \$1,300,000,000 in budget authority and \$1,300,000,000 in outlays in fiscal year 1998, \$1,900,000,000 in budget authority and \$1,900,000,000 in outlays in fiscal year 1999, \$2,100,000,000 in budget authority and \$2,200,000,000 in outlays in fiscal year 2000, \$2,100,000,000 in budget authority and \$2,300,000,000 in outlays in fiscal year 2001, and \$2,400,000,000 in budget authority and \$2,600,000,000 in fiscal year 2002.

(o) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: \$45,300,000,000 in fiscal year 1996, \$32,000,000,000 in fiscal year 1997, \$39,300,000,000 in fiscal year 1998, \$52,000,000,000 in fiscal year 1999, \$66,700,000,000 in fiscal year 2000, \$82,100,000,000 in fiscal year 2001, and \$97,400,000,000 in fiscal year 2002.

(p) For purposes of this section, the term "direct spending" has the meaning given to

such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the term "new budget authority" has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974.

#### **SEC. 5. SENSE OF THE HOUSE REGARDING SOCIAL SECURITY.**

It is the sense of the House of Representatives that legislation should be enacted that:

(1) Prohibits the use of the surplus funds collected as part of the social security payroll tax from being used to balance the budget or reduce the deficit.

(2) Starting in 1996, sets aside these surplus funds to preserve and protect the social security system.

(3) Establishes a bipartisan commission to oversee the protection of these surplus funds, the primary purpose of which is to establish a safe and secure mechanism to preserve these funds.

(4) Provides that as the Federal debt is repaid, the social security funds that are currently part of the \$4,900,000,000,000 Federal debt as well as interest on these funds shall also be repaid and set aside under the mechanism established under paragraphs (2) and (3).

#### **SEC. 6. SENSE OF THE HOUSE REGARDING DEBT REPAYMENT.**

It is the sense of the House of Representatives that:

(1) The Congress has a basic moral and ethical responsibility to future generations to repay the Federal debt. The Congress should enact a plan that not only balances the budget but also institutes a regimen for paying off the Federal debt.

(2) After the budget is balanced, spending should be allowed to grow at a rate slower than expected revenues so that a surplus is created which can be used to begin paying off the debt.

(3) Such a plan should be enacted into law so that this generation can save our children and grandchildren from the crushing burdens of the Federal debt.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. NEUMANN] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. NEUMANN] and request to be recognized as such.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] will be recognized in opposition for 30 minutes.

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that I be allowed to yield half of my time to the gentleman from Minnesota [Mr. SABO] and that he would be able to yield to other Members from that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. Consequently the gentleman from Wisconsin [Mr. NEUMANN] will be recognized for 30 minutes, the gentleman from Arizona [Mr. KOLBE] will be recognized for 15 minutes, and the gentleman from Minnesota [Mr. SABO] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I would like to begin this discussion by reiterating that this will be a yes or no vote on balancing the budget in 5 years, paying off the Federal debt in 30 years, and restoring the Social Security trust fund.

But it is much more than that, Mr. Chairman. It is a vote about the future of a nation.

Our Founding Fathers gave us a great country, and in doing so, in giving us this fine gift, they have also given us a responsibility. It is a responsibility that we have not handled very well in the last 15 years.

Mr. Chairman, the fact of the matter is in the last 15 years this Nation has accumulated a \$4.9 trillion debt. If every single American were to pay just their share, every man, woman and child in the country, they would have to pay \$19,100 of debt. A family of five like mine would be responsible for \$95,000. A typical American family of four would be responsible for \$76,000 of debt. And here is the kicker:

The interest alone on that Federal debt amounts to over \$5,000 a year. The average households in my district are only earning \$32,000 a year. They cannot afford to continue spending \$5,000 a year.

The growth in the debt over the last 20 years has been something we all need to be very concerned about. This chart shows that from 1960 to 1980 the Federal debt grew at almost a flat rate. Very little debt growth, but from 1980 forward the debt is on a very, very steep inclining roll.

We cannot let this continue. The budget plan we bring to the floor this morning solves that problem, and here is how we go about doing it:

First, we take Social Security completely out of the picture. We do not use Social Security revenues, nor expenditures, in our calculations of the rest of this presentation. If we do that, the Federal budget, the Federal Government, is literally writing out checks for \$1,187 billion. They are making a checkbook deposit of \$998 billion. Therefore their checkbook is overdrawn by \$189 billion. Our first thing that is very significant in our plan then is that we set Social Security completely aside, completely off the table.

□ 1215

Our plan recommends that we continue spending, writing out the same number of checks, if you like, \$1,187 billion through the year 1999. In doing so, the growth in revenue will actually reach \$1,187 billion because of both inflation and real growth in the economy. So by the year 1999, we will in fact have a balanced budget. With the tax cuts implemented, which we do in our budget presentation, it pushes it back by 1 year. So our plan balances the budget by the year 2000.

After the year 2000, and this is another very significant change from the

discussion that typically goes on out here in Washington, after the year 2000, we allow spending to rise at a rate 1 percent slower than the rate of revenue growth. In doing so, we accumulate a surplus each year. That surplus, folks, goes to pay off that terrible Federal debt, so that we may pass this Nation on to our children debt free instead of the huge burden that we are currently accumulating, which will otherwise we passed on to our children.

I would point out that by doing a 5-year balanced budget plan, rather than a 7-year plan, we save our children \$600 billion. That is the amount of money that will not be borrowed if we implement the 5-year plan versus the 7-year plan.

This also sends a very strong message to the Senate that we are interested in getting this job done, and done sooner rather than later.

My colleagues, this is a plan designed for our senior citizens. It protects and restores the Social Security trust fund. This is a plan for working families in America. It provides a \$500 per child tax cut. This is a plan for the future for our children in this Nation. It pays off the Federal debt, so we do not pass on this huge burden to the next generation of Americans. To my colleagues, folks, this is a plan for the future of America, and that is why we are all here today.

Mr. Chairman, I reserve the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. GEKAS].

(Mr. GEKAS asked and was given permission to revise and extend his remarks.)

Mr. GEKAS. Mr. Chairman, I rise reluctantly in opposition to the plan offered by the gentleman from New York and the gentleman from Wisconsin, reluctantly because their plan, like the other plans, lead to a balanced budget at some point in the near or farther future. That is good for the debate and good for the American people. That is good for us as a road map, among many, to try to reach that balanced budget.

Now, some of the plans are better for defense than others. Others are good for our highway system, a little better than some of the others presented. So how do we pick and choose? What is attractive about this current plan, against which I am going to vote, reluctantly, is the funding for the National Institutes of Health. What happens in the current proposition, the one that is before us, is that NIH remains stable in its ability to provide grants for the much needed research, which is, of course, a part of our health care problem.

The more we are able to bring monies to the NIH for research, the less in the future we will require for health care. That is a logical conclusion to reach, which I reached a long time ago. That is why I am tempted, with all my heart, to vote for this bill, because it

treats the NIH, this proposal, better than any of the others that are going to come before us.

Yet, in order to codify, if we will, the move toward the balanced budget by 2002 and because the Kasich approach, the committee approach, brings us there in a more cohesive way, I will vote against the Solomon proposal. But NIH, I am determined, will become a focal point for the appropriations process that is to follow.

Mr. NEUMANN. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding. I want to congratulate him as a freshman Member to get out in front and to do the job that has to be done. I want you to know the people that are introducing this resolution are going to vote for this resolution.

I have heard so much about we have got to balance the budget. But you know something, my friends? Time is of the essence. If we are going to balance the budget, we have got to do it the quickest way possible or we are going to lose momentum. That is why I am asking the speaker who just spoke here, the gentleman from Pennsylvania [Mr. GEKAS], come and join us. You want to balance the budget? By golly, let us do it. Let walk our talk. We have been giving this speech for a long time. Now is the time to vote for it.

I congratulate the gentleman from Wisconsin [Mr. NEUMANN] for the job he is doing. We have not had a balanced budget since 1969, 26 years. How much longer do you want to wait? It is costing us \$1 billion almost, a day that we do not get this budget balanced.

This budget that we have got in front of us, this proposal, will balance the budget in 5 years, and it is going to do it with fairness. We act with dispatch, but we also take into consideration what is needed for this country. This budget resolution will save \$600 billion in interest payments, \$600 billion. This is a big savings for our country and for our children.

Now, the House budget resolution is a good budget resolution, too. I am going to vote for that, as I expect you will. But it is 7 years. It eliminates three Cabinet departments, 14 agencies, 68 Commissions, 283 Programs. Yes, it is a good resolution, but this is the best of all. Why? Because it is going to get the job done in the time required. We cannot stretch it out, or else we will never get the job done.

You know, in Wisconsin, we have a saying, talk if cheap. It costs money to buy whiskey. And the gentleman from Wisconsin [Mr. NEUMANN] is following that philosophy. He is getting the job done.

There are those who argue that this is an historic day. In 1989, we had historic days in Russia and in Germany. But for 1995, it is going to be a historic day for America if we balance the budget, and we can do it today. I am asking you to vote this way.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, this debate is not about budgets and numbers and about graphs and charts. It is about human beings like Mrs. Dolly Johnston. She is a 67-year-old woman from Spokane, WA, who had a heart operation in 1993. For 4 months afterwards she had home health care from a nurse. Mrs. Johnston, who was a nurse for 32 years, said if I had not had here, I was too weak to pour my own medicine.

Now, this budget that is being laid out here today is making major cuts in this program that took care of Mrs. Johnston, the Medicare Program. How are they going to do it?

Let me just think about this woman for a second. The plan that makes these cuts will require each senior citizen like Mrs. Johnston to get a voucher, think for a minute. She is 67 years old. You give her an inadequate voucher that will have to be ratcheted down every year in order to make the savings that are proposed over here. She will go out into the street with that voucher in her hand. She has a pre-existing condition. She is 67 years old.

You tell me where the loving insurance company is in your district that is going to give her an adequate insurance policy? Now, I have dealt with these people, and no insurance company is going to do that for her.

So, who will pick up the difference between that inadequate policy and what she really needs? Her children. For the first time in 30 years, the young people of this country are going to have to worry about their grandmother or their mother and how they are going to pay for that.

When I was young and my grandmother, back in the 1950's, had no insurance, we paid it around the table. It was figured out among the uncles and brothers. That is going to start happening in this country for the first time in 30 years. And it is not just insurance companies. Remember Mrs. Johnston when you vote "no."

Mr. NEUMANN. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I was hoping to see some pictures, because I brought one, too. This is my family.

The reason we are doing this, folks, is for the families and children all across America. We cannot allow this debt to continue to climb. This is for the future of America. We cannot lose the courage necessary to do our job.

Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, I would like to congratulate the gentleman from Wisconsin [Mr. NEUMANN].

This initiative is really supported in full measure by the freshman class. We are new to politics but we bring a lot of understanding to Congress with us. We understand if you pay the mortgage off

sooner than later, you save money. That makes sense at home. It should make sense up here.

The real problem I have of waiting any longer is that if a family did what we did every day up here, spend beyond their means, they would wake up one day and they would lose who they are as people. That is what is at risk here. If we continue to be everything to everybody, we are going to lose the character of our people. I think you have seen a decline in character over the last 30 years directly proportional to spending.

Do not wait any longer. If you did to children what we did to this country, giving them everything they want and never say no, you would have a child different than what you would hope to have. We have a country different than what I would hope to have. Let us not wait 2 more years.

Mr. KOLBE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the previous speaker on the other side was talking about the Medicare cuts. But I think it is worth noting, and we have said it before, but it just needs to be repeated, that under our plan the average increase per beneficiary would go up from \$4,700 to \$6,300. In the State of Washington the total Medicare spending would go from \$2.5 billion to \$3.7 billion, and the per capita spending would be \$3,700 to \$4,800, an increase of \$1,089.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. PACKARD].

(Mr. PACKARD asked and was given permission to revise and extend his remarks.)

Mr. PACKARD. Mr. Chairman, I rise in support of the Kasich budget resolution. The Budget Committee provides us with the itinerary for an historic journey towards a balanced budget. Anyone serving in this body during the last 26 years, will find themselves in uncharted waters. Over the last generation, liberal spenders—who used to control Congress—rushed this country down a roaring river of debt. Currently, we find ourselves submerged under a \$5 trillion sea of red and the level continues to rise unabated. By 2010 our debt will reach \$8 trillion. Frankly, we are drowning.

Some of you may know that I have a relatively large family—7 children and, as of a couple of weeks ago, 31 grandchildren. Since I began my service in Congress, I have always measured everything I do by one standard—what legacy am I leaving to them and to our Nation's children and grandchildren?

Under Democratic leadership for the last 40 years, this institution promoted the centralized bureaucratic model of government—the “Washington knows best” model. The American people have seen the results—fiscal and moral bankruptcy.

My new grandchild, born just a couple of weeks ago, will pay nearly \$200,000 over her lifetime if we continue on this path. I cannot leave this legacy

to her or to anyone else's kids. People outside Washington know this and have asked us to change course.

The American people want something different for their children. They sacrifice every day to ensure a better future for this country. They work too hard and care too much to see us continue down this destructive path. They know that our economic and social well-being depends on changing not only what we spend but how we spend it.

In November, the voters put Republicans at the helm and asked us to chart a new course that sets us on a glide path towards a smaller Government that spends less, taxes less and regulates less. Chairman KASICH's budget resolution sets us on this new course.

It not only lifts us out of this sea of red, it also provides the framework to take the money and power out of Washington. This resolution forces this institution to do something no one thought was possible—set priorities and rein in big Government.

This budget eliminates three Cabinet departments, 14 agencies, 68 Commissions, and 283 programs. It gives us the opportunity to send our resources back home where people use it productively.

This debate really is about much more than balancing the books. It is about rethinking just what role our Government will play in our lives and choosing just what direction we see this country taking over the long term. Chairman KASICH and the Budget Committee charts a future which gives us less Government, less taxes, and more freedom.

This is a journey I have wanted to take since I began my service here in Congress. I ask my colleagues to join me on the trip and support the Kasich budget resolution.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I rise today in support of the Neumann budget proposal. While no proposal is perfect, this one does not play politics, and is a no-nonsense attempt to pay off our national debt. In many ways, it is like the district I represent.

As a member of the Agriculture Committee, I know the difficulties that lie ahead for our farm communities as funding levels decrease. We in the agriculture community saw this coming.

But I want to be able to go back to the farmers, ranchers, and farm-related small businesses in my district having supported a budget that shared the pain.

In fact, because this budget balances our books in 5 years, the savings are compressed. However, after the year 2000, the cuts to agriculture under the Kasich budget are greater.

For those who believe in a free market, the increased level of savings over the Kasich budget exceeds \$600 billion which will translate to new growth in all sectors of the economy.

This amazing amount is better spent by farmers, ranchers, farm-related industries, and all other citizens than by their Government.

I thank my colleague from Wisconsin for offering this alternative, and urge my colleagues to vote for the Neumann budget.

□ 1230

Mr. SABO. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. BORSKI].

(Mr. BORSKI asked and was given permission to revise and extend his remarks.)

Mr. BORSKI. Mr. Chairman, I rise in opposition to the Kasich amendment.

Mr. Chairman, I rise today in opposition to House Concurrent Resolution 67, the Republican budget resolution for fiscal year 1996. This resolution provides huge and expensive tax breaks for wealthy Americans, and asks America's working families and senior citizens to pay the bill. It calls on older Americans to pay the most for failed policies of the past, hinders the efforts of working Americans to earn higher wages today, and slams the door on our children's opportunities in the future.

Several weeks ago, the Republicans took the first step in their misguided budget proposal when the House approved their Contract With America tax package. Over half of the tax breaks in this package benefit only the top 12 percent of families with incomes over \$100,000, and 20 percent of the breaks benefit only the top 1 percent of families with incomes over \$350,000. Under this tax package, a lucky 1.1 million taxpayers—whose incomes exceed \$230,000—will enjoy an annual \$20,000 tax break bonus.

Does this sound familiar? It happened in the eighties, when the deficit soared because of huge tax breaks for the wealthy. These tax breaks for the rich were supposed to trickle down to the rest of America. Instead, incomes stagnated and taxes increased for most middle-income American families.

Like the tax breaks of the eighties, today's Republican tax plan does not come for free: over 7 years, it will cost the U.S. taxpayer more than \$354 billion. And guess who pays once again: middle-income working and retired American families.

In order to pay for these handouts for the wealthy, the Republican budget cuts Medicare by \$288 billion. These are the largest cuts ever proposed for the Medicare Program. They will escalate the cost of health care for our Nation's elderly, who on average already dedicate 21 percent of their income to pay for out-of-pocket health care costs.

Cuts of this magnitude in the Medicare Program will require seniors to pay more of their limited incomes on health care costs. Over the 7-year period of the budget, the average senior will pay \$3,500 in total additional out-of-pocket health care expenses.

But even \$288 billion in Medicare cuts is not enough to pay for \$354 billion in new spending for the wealthy. In order to fully pay the bill, the Republicans need to raid another program essential to our Nation's seniors—Social Security.

Despite their promise not to touch Social Security, the Republican budget actually cuts cost-of-living adjustments [COLA's] between

1999 and 2002. These cuts take a deeper bite into Social Security checks with each passing year. By 2002, the average senior citizen will receive about \$240 per month less than what he or she would receive under current law.

The Republicans deep cuts in Social Security and Medicare amount to huge reductions in every senior's Social Security checks. By 2002, these back-door cuts in Social Security will eat up more than 40 percent of the typical Social Security COLA. About 2 million seniors will have all or more than all of their COLAs consumed by these costs.

The Republican budget's assault on the elderly does not stop with Social Security and Medicare. By slashing \$187 billion from the Medicare Program—which currently spends two-thirds of its funds on the elderly and disabled—the Republican budget threatens long-term care coverage for hundreds of thousands of older Americans. These cuts will force many families to use their hard-earned savings to pay for nursing homes costs, which currently average a staggering \$38,000 a year.

Mr. Chairman, drastic cuts in Medicare and Medicaid will result in higher health care costs and reduced quality of care for all Americans—young and old. Hospitals in my home city of Philadelphia—which already rely on Medicare and Medicaid for more than 50 percent of their revenue—will be forced to shift their costs to the nonelderly, and could even be forced to shut down. This will raise insurance premiums, limit choice, and reduce the quality of care for every American family.

The Republican budget also makes deep cuts in programs designed to help Americans earn higher wages and a better standard of living for themselves, and provide their children with the education they need to succeed in the global economy. The budget proposal cuts \$82 billion in education, training, and child care programs designed to encourage work and help people get off welfare. It cuts student loan programs, which will add about \$5,000 to the cost of going to a 4-year higher education institution. It also cuts the Head Start Program, which helps young vulnerable children who might otherwise not grow into productive students and workers.

In addition, the Republican budget drastically reduces and eventually eliminates mass transit operating assistance that has been absolutely essential for SEPTA. Loss of these funds for SEPTA, which already has the second highest fare in the Nation, would result in severe cutbacks in investment in new equipment, station reconstruction and track improvements, service reductions or a fare hike to \$1.85. The majority budget also proposes cuts in capital investment funds for transit systems that will further delay or eliminate SEPTA's planned system improvements.

SEPTA provides a vital service in Philadelphia and the system must not be allowed to deteriorate. Transit provides the means to reduce congestion and air pollution while improving worker productivity. Cuts in transit funds will make it more difficult for millions of Americans to reach their jobs and will server the elderly's lifeline to medical services.

Transit means productivity, jobs, and economic growth. Every dollar invested in SEPTA returns several dollars to the regional economy.

Mr. Chairman, I do not believe it is fair to slash vital programs like Social Security, Medicare, student loans, and mass transit, while at

the same time giving big tax give-aways to the highest-paid individuals. Working Americans and senior citizens did not cause the budgetary problems we now face. Our deficits resulted from the failed trickle-down policies of the eighties, which benefited the rich at the expense of the rest. Any serious and fair deficit reduction measure should seek to reverse those policies—not repeat them.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, thus far this debate has been cast as the Democrats looking out for our senior citizens and the poor and the Republicans looking out for future generations. Make no mistake about it. This bill is a stake in the heart of the best medical health care delivery system in this country.

If you have heart disease, if you have diseases like diabetes, if you have Alzheimer's or cancer, this budget guts the very medical research that is required and necessary for us to go out and continue those advances that help sick people in this country today have the hope that they might get well in the future.

If we look at the medical education budget in this particular budget, over half of that money that goes to our teaching hospitals will be eliminated, wiping out the ability of America to go out and train the best doctors in the world. We heard the Clinton health care budget attacked time and time again last year for what it would do to the best medical system in this country. This bill guts that system.

If ordinary citizens are listening, recognize, we are not just talking about defending the poor and the seniors. That is part of what the Democratic Party stands for. But this bill goes well beyond any attacks on the most vulnerable people in this country. This bill eliminates and guts and puts a stake in the heart of a health care system that is second to none throughout the world.

My colleagues, make no mistake, this guts programs that affect our Nation's veterans.

Mr. SABO. Mr. Chairman, I yield one-half minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, rural America is prepared to do its share to balance the budget but the Republican budget asks rural America to do much more than is fair or even reasonable by cutting \$9 billion out of 5 years, \$17 billion over 7 years. It will cause, in my State alone, a 35-percent drop in net farm income, a 50-percent drop in farm values. It will drive thousands of family farmers off the land. We will lose international markets and ultimately pay higher grocery prices, all because rural America gets hit, in fact, killed under their budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman, I am amazed at the rhetoric. As somebody who provides health care in this coun-

try and takes care of Medicare patients, to say that we cannot do considerably better is poppycock. The fact is, we do have a good health care system in this country. It can become a lot better when we get the 15 percent of fraud out of Medicare.

This bill increases spending for health care 25 percent over the next 4 years. To say that we cannot provide quality health care to our senior citizens for those kind of dollars is not true. It is untrue. We need to be about efficiency and caring and compassion with our senior citizens. And this budget is short on none of that.

Mr. KOLBE. Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding time to me.

This debate is about the change that we need in America versus the status quo. What we hear from one side of the aisle is that the status quo is fine. Indeed, we have just heard criticism of what this budget does to Medicare.

My colleague from Massachusetts happens to not know what it does, because gross spending goes up from \$5.5 to \$6.7 billion under this budget in Massachusetts. The per capita spending, that is per beneficiary spending in Massachusetts, under our budget, goes up from roughly \$5,900 to more than \$7,800 under this budget.

That is not a cut by anybody's definition. That is an increase in spending. What we are doing is reforming a system.

Under the proposal that they put forward, under the President's budget, 6 years from now, no one in America will get Medicare benefits because the system will be broke.

This is a debate over sitting with the status quo and burying your head in the sand and doing nothing or moving forward. It is time to move forward in America.

This budget does that responsibly. It takes care of our children by saying to them, we will no longer continue to saddle you with an immoral debt burden because we are unwilling to control our spending. In area after area, while I commend the gentleman from Wisconsin [Mr. NEUMANN] for putting together an excellent budget, I must also commend the Kasich budget. It does a marvelous job of addressing the problem that confronts this Nation and about which its citizens are deeply concerned.

I urge support for the Kasich budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Wisconsin for yielding time to me.

Mr. Chairman, I rise in strong support of the Neumann budget because our national debt will exceed \$7 trillion by the year 2002. What does this mean in human terms? I, too, have a picture,



a picture of my year-and-a-half-old son John Micah. Over his lifetime, if nothing changes, John Micah will pay over \$180,000 in interest alone on the national debt. This is wrong. This uncontrolled spending must stop.

Those who are addicted to deficit spending claim to be protecting groups such as children and senior citizens. Mr. Chairman, how can someone who is willing to suffocate our kids with our debts pretend to represent them? How will tomorrow's children be able to afford to go to college or buy a home if they are forced to pay for this excessive spending? How is someone who is willing to bankrupt programs for seniors pretend to be protecting them? How do the American people benefit if we reject this last, best chance to put our fiscal house in order?

Mr. Chairman, I say, support the Neumann budget.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, why are the Republicans cutting Medicare to pay for tax cuts for the well-to-do.

I got a letter yesterday from California that says why. The gentleman wrote: You still do not get it; do you? Keep it up; we will win even more seats in 1996. We want tax cuts. Your 80 year old is not our responsibility.

This Republican is entitled to his point of view, but I do not see it that way, because I would like to look at it from Emily's point of view.

Her late husband helped protect our country when he was in the Air Force. Now Emily is elderly and she is sick. Her 40-year-old daughter has MS and cannot help. Today Emily has \$17 a month after she has paid for room, board, and medical care. The Republican budget will raise Emily's out-of-pocket Medicare costs by \$123 a month.

There has been a lot of talk on the floor that the budget for Medicare is going up, and that is true. But the more pertinent truth is that this will not keep up with the number of new elderly entering the system, and the cost for individuals will go up.

Only in Washington could someone tell Emily that her benefits will go up when it is going to cost her \$123 a month more.

After all the charts and rhetoric and angry talk have faded, Emily will still be facing this question. How is she going to cover \$123 when all she has got is \$17?

The Republican businessman who wrote to me yesterday says Emily is not his responsibility. But when Emily's late husband went off to fight World War II, did he say it was not his responsibility?

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Chairman, this has been characterized as an argument between the young and the old. I do have my children here because this budget does address their needs. We must bal-

ance the budget in order to preserve their future. My daughter here is the oldest; she is 14, Jessica. I also have John and Luke, but Jessica is 14. By the time we get the budget balanced and pay off the Federal debt, she will be nearly 50 years old. We have literally passed this problem on to the next generation.

It is not just our kids that support the Neumann-Solomon budget. We also have other groups who support it. I have had in my hand here a letter from the United Seniors Association. They are writing the gentleman from Wisconsin [Mr. NEUMANN], and let me read the last part:

We greatly appreciate your concern and efforts to deal with the fiscal catastrophe that our Nation faces. It is not just the United Seniors Association, it is also the Sixties-plus Organization, the Citizens for a Sound Economy, the National Taxpayers Union, the Citizens Against Government Waste and the U.S. Chamber of Commerce.

Mr. Chairman, this is a dramatic and historical time. I think we should stand in support of the Neumann budget.

Mr. KOLBE. Mr. Chairman, may I inquire about the time on all sides.

The CHAIRMAN. The gentleman from Wisconsin [Mr. NEUMANN] has 17½ minutes remaining, the gentleman from Arizona [Mr. KOLBE] has 9 minutes remaining, and the gentleman from Minnesota [Mr. SABO] has 9½ minutes remaining.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I thank the gentleman from Arizona for yielding time to me.

I would point out to one of the previous speakers that Medicare spending in the State of California will increase from \$21 to \$31 billion in this budget, and the per person expenditure will increase from \$5,821 to \$7,688.

I want to commend the gentleman from Wisconsin [Mr. NEUMANN] for his courageous budget and visionary approach that he has taken. But I do rise in support of the Kasich budget.

Nine thousand four hundred dollars, nine thousand four hundred dollars. Mr. Chairman, faster than I can actually speak that amount, we are adding \$9,400 to our debt every single second. In less than 15 seconds this country will be saddled with more debt than we as Members of Congress make in a year.

If Congress continues to overlook this problem, it will be left to our children to clean up the mess. My wife and son James, my child already owes more than \$4,000 as part of his contribution to interest on the debt, and he has not even reached his second birthday yet.

It is wrong. It is immoral. And we must change this ominous future this year.

Many of my colleagues here today are claiming that this budget will somehow retard the quality of life of our children and our seniors. On the

contrary, I can think of nothing more negligent than our current spending practices. If you vote against a balanced budget, you are voting to lower the standard of living of our senior citizens and our children.

The blueprint which has been courageously presented to us by the gentleman from Ohio [Mr. KASICH] and the Committee on the Budget is not perfect. There are many programs targeted for cuts which I strongly support. But if we fail to see the forest for the trees, we will once again fail to put this country on the right path, and the victims will be our children.

Vote for the Kasich budget, Mr. Chairman.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CHRYSLER].

Mr. CHRYSLER. Mr. Chairman, in 18 months we will spend more money on the interest on the debt than we spend for the Army, the Navy, the Air Force, the Marines, the FBI, the CIA, and the Pentagon combined.

Let me give you 10 good reasons to vote for the Neumann-Solomon budget. You can read it in detail in a book, or you can look at it in five pages, and you can understand it all. It gives a Member a choice. You can understand it, and you can explain it to others. It will balance the budget in 5 years.

It includes the House-passed tax cuts. It pays off the debt in 30 years. It does not spend Social Security surplus revenues. It saves \$600 billion in additional national debt, and it saves \$42 billion in interest payments in the year 2002.

I ask Members to support the Neumann-Solomon substitute, and if that amendment fails, vote "yes" on the House Committee on the Budget bill.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Chairman, is it fair? Mr. Chairman, that is the one question that Congress and America's citizens must ask about the Republican budget. Is it fair? That is a simple question but a crucial one.

It is a question I asked when I received a letter from Alpha Dunlap of Temple, TX, a constituent of mine. She wrote: "I do not have good health, and I do not have money. Most of my money goes for prescription medicine and bare necessities. I am widowed and live alone. Please do not let Congress make deep cuts to Medicare."

To those watching, I ask you this question: Is it fair to cut \$1,000 from Alpha Dunlap's Medicare benefits to pay for tax breaks for millionaires such as Donald Trump?

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Is it fair? Worse yet, is it fair for Republicans to cut seniors' Medicare benefits to protect tax loopholes for billionaires who would renounce their citizenship to get out of paying their rightful taxes?

That is right, House Republicans want to protect \$3.5 billion in tax loopholes for billionaires who would renounce their citizenship to get out of paying their taxes. Members, that is welfare for the rich, paid for by the pain of senior citizens.

Under the Republican plan, 100,000 senior citizens, such as mine, Ms. Dunlap, will have to lose Medicare benefits to pay for tax breaks for just one billionaire under the Republican plan. That is not fair. That is dead wrong, and it is unconscionable. Why should Alpha Dunlap and 100,000 senior citizens like her have to lose Medicare benefits to help those billionaires who would leave this country and not pay their fair share?

The issue is not the future of our children. I point out, Members, the pictures that our Republican friends have not shown today are the millionaires and billionaires who are going to benefit from their budget plan and their tax plans. That is the issue the American people must look at.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Chairman, in spite of what we hear in this Chamber, we have been astounded at the lack of negative response to this budget from outside the Beltway. Americans all across the country are way ahead of us. They want the budget balanced sooner, rather than later. Confidence is very low in our country's future, particularly among our young people. Recent polls show that more of them believe in UFOs than believe that they will ever get any Social Security.

This budget is a promise to our young people that in the future we are going to do better than we have done in the past. Restore their confidence in this body and in their country. Vote this gift to our children. Vote for Solomon-Neumann.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the gentleman from Ohio, [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, I wish to respond to the gentleman from Texas [Mr. EDWARDS] that something happened in the Committee on the Budget that has not happened in a long time since I have been there, but under Republican control we adopted an amendment of language in the bill concerning, "The committee is also greatly concerned about the growing phenomena of millionaire and billionaire Americans renouncing U.S. Citizenship in order to avoid paying their fair share of their tax burden. The committee strongly believes that Congress should take steps to stem the revenue loss of expatriation for tax avoidance."

That is in the bill and it was a Democrat amendment put up, and we adopted it.

Mr. EDWARDS. Mr. Chairman, will the gentleman yield?

Mr. HOBSON. I yield to the gentleman from Texas.

Mr. EDWARDS. Mr. Chairman, the point I would make is that earlier this

year we had a vote in this House to change and do away with that tax break and that loophole for billionaires, and only five Republicans voted for that change.

I know this is report language, this is not a change in the law itself. If Republicans who previously voted to protect the billionaires' tax break if they leave this country will change their vote, I look forward to working with them to make that change.

Mr. HOBSON. We are working on it.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the authority of the Chair to preserve the decorum of the House, the Chair would request that posters and pictures not be displayed except at such time as a Member is actually speaking.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. HOSTETTLER].

Mr. HOSTETTLER. Mr. Chairman, I rise today in support of America's contract with our children. The gentleman from Wisconsin deserves a great deal of credit for bringing such an honest, aggressive, and thoughtful budget proposal to the floor. This resolution has it all and does it all. This is not an either or situation regarding the Committee on the Budget's version, but it is a real alternative for those of us that are willing to take that extra step toward fiscal responsibility.

I admit, there are things in this budget with which I do not agree. While I support the concept of this resolution, I am concerned about the funding levels for national defense and what I believe is necessary to protect our country's borders, but this resolution is a tradeoff. The tradeoff is between committing an additional \$600 billion to the national debt over the next 7 years, and no longer mortgaging the future of generations to come. The interest alone on this \$600 billion amounts to over \$40 billion in the year 2000. We could ignore the cries from those who claim this budget is unfair, and that we are mean spirited because we care about our children's future, and we should jump at the chance to balance the budget as soon as possible.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, balance the budget? We agree, but not this budget, with its mean and misshapen priorities. Balance the budget and start with a tax cut for the largest, most profitable corporations and families earning over \$200,000 a year? Tax cuts paid for with \$304 billion of cuts in Medicare and cutting programs important to other working American families? No, that is not the way to balance the budget.

Mr. Chairman, let us talk about four generations of one Oregon family. We have here 74-year-old Doris Wilson. She visited my office last week and talked a little bit about Medicare. She had to leave her \$100 prescription at the pharmacist because she is retired on Social

Security benefits and she could not afford to take it home with her. We are going to make her pay another \$1,000 a year for Medicare? That is what this budget proposes.

Gerri Graff, after she was divorced and her husband walked on the child support, she had a little trouble making ends meet with her secretarial job. She got food stamps for a year and a half, and now has been a productive and taxpaying citizen for many years, without any help from the Federal Government.

Tandi Graff, a teenager single mom, is working in my office today, thanks to the jobs program, with a healthy kid, Jordan, thanks to the WIC Program. She had a little problem with a potential underweight and complicated pregnancy.

These are the people who have benefited by the proper priorities in this country, the people we want to help, the people we want to extend the ladder of opportunity to, so they can climb up and live the American dream. We do not need to help the wealthy and the Pentagon anymore.

Mr. NEUMANN. Mr. Chairman, I yield 15 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I would just like to acknowledge that the last speaker who voted "yes" on the balanced budget amendment also voted for the Clinton tax bill, which added \$431 million in taxes to the citizens of his district. We are trying to reduce those taxes.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my friend, the gentleman from Michigan, Mr. NICK SMITH.

Mr. SMITH of Michigan. Mr. Chairman, I am so proud to be a Member of this Congress. We have turned from a nation at risk to a nation with a hopeful future.

How can anybody criticize the Committee on the Budget's budget? it is so reasonable in terms of what this Nation faces.

Just briefly, on this chart we see the President's budget would take us to \$7.4 trillion public debt by the year 2002. At the bottom line, we see the Neumann-Jerry Solomon budget that takes us to a public debt of \$6 trillion 216 billion. In order to decide how serious the situation is, we need to consider where we are on Social Security, Medicare, unfunded liabilities for both the veterans trust fund and the civil servants Federal employees trust fund. That is another \$5 trillion added onto the \$5 trillion debt that we have today. We have serious problems ahead of us. We should look at this very seriously.

Mr. KOLBE. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I want Members to listen to the rhetoric. I would like to quote from President Clinton: "Today Medicare and Medicaid are going up at 3 times the rate of inflation." That is the President. "We

propose to let it go up at 2 times the rate of inflation." That is 6 percent. "This is not a Medicare or Medicaid cut." That is President Clinton.

Now when we are proposing the same thing, it is a cut against the people. This is what the President himself has said: "So when you hear the business about cuts, let me caution you that we are not cutting, we are reducing the rate of growth." This is a direct quote from the President when he defended his 1993 budget cut.

If we take a look at what we are doing, the Senate is reducing the rate of growth to 6 percent. We are reducing it to 5 percent. The President himself wanted to reduce it to 6 percent, and states that it is not a cut.

Look at the fraud, waste and abuse. A lady called up and said "Hey, I have a Medicare problem with a doctor. He charged me twice for a mammogram. I did not have a mammogram." The doctor said "Yes, you did," and she said, "No, I did not, I had a mastectomy." The doctor's reply was "Who cares, Medicare will pay for it." There is \$44 billion per year in just fraud, waste and abuse. We can manage the system better and reduce the rate.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Chairman, I rise to support the Neumann-Solomon budget proposal, which is an idea whose time has arrived. This budget proposal will in fact balance the budget in 5 years, it will pay off the debt in 30 years, it protects Social Security, and ensures its long-term stability. It preserves Medicare and the best health care system in the world. It in fact will save \$600 billion in additional national debt.

It is endorsed by the National Taxpayers Union and the Citizens Against Government Waste. America is tired of tax and spend. They want a budget that is going to work. I rise to support Neumann-Solomon.

Mr. SABO. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California [Ms. WOOLSEY], a member of the Committee on the Budget.

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, the Republicans who wrote this plan continue to talk about the tough choices they have had to make when crafting their budget. I agree. Choosing to take health care away from our seniors in order to pay for special interest tax breaks is certainly a tough choice, and I cannot understand why they made it.

But the choices that the authors of these Medicare cuts have made are nothing compared to the choices that Lucy Forest will be forced to make if Republicans are successful in their assault.

Mr. Chairman, I would ask the Members of this House to meet 75-year-old Lucy Forest from Santa Rosa, CA. Lucy has an income of \$800 per month.

She has to pay rent. She has to pay the heating bills. She needs to eat. Lucy also wants to visit her daughter in Tucson, AZ, this year, but Lucy says she may have to cancel this trip if Republican proposals are passed.

Lucy understands a lot of things about people and politics, and she understands Medicare. She knows that if these cuts are made, there will be lower payments to doctors and hospitals, higher premiums, higher deductibles, higher copayments, and fewer choices of doctors. She also understands that the families of Members of this House can afford health care while coverage for 7 million kids will be eliminated.

But, Lucy Forest does not understand how the Republican budget proposals can eliminate \$300 billion of health care benefits for our Nation's seniors, without telling us how the savings will be achieved.

She also does not understand why pork barrel military spending on cold war weapons continues to go up, while Medicare for seniors is going down. She wants to know why the military budget is "off the table" in the Republican budget.

Finally, and most importantly, Lucy questions why the Republicans are proposing to slash Medicare in order to pay for tax loopholes for the wealthy special interests.

Quite frankly, Mr. Chairman, neither do I. Only in Washington would people call taking Medicare away from Lucy Forest "A reduction in the rate of increase."

I urge the House reject these efforts to slash health care for seniors.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Virginia [Mr. GOODLATTE].

(Mr. GOODLATTE asked and was given permission to revise and extend his remarks.)

Mr. GOODLATTE. Mr. Chairman, what a new day we have in this Congress. Mr. compliments to the gentleman from Wisconsin [Mr. NEUMANN] and the gentleman from New York [Mr. SOLOMON] who last year, for the first time in 8 years, even offered a balanced budget. The budget has not been balanced in 25 years, but no one had even tried for 8 years.

Now, here today, all we have are 4 different alternative balanced budgets to consider. This is what the American people want to see, and this budget, the Neumann-Solomon budget, is the fairest and best of them all. It is not a battle between seniors and young people. This is fair to everybody, because this is the only budget that restores the trust funds for the Social Security trust fund, and does it the quickest of any. It restores the most.

It also is fair from the standpoint of reducing, eliminating this deficit the quickest in 5 years. That helps people right now, not just our young people in the future, which is important, but it helps right now.

Mr. KOLBE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the previous speaker, the gentlewoman from California, spoke about Lucy Foster not being able to travel to my district, to Tucson. I just want to assure her that she is going to be able to make it, because Medicare spending is not going to be slashed. In fact, in California it is going from \$21 billion to \$31 billion in the year 2002. That is a 46 percent increase per beneficiary, from \$5,800, to \$7,688 under our plan. That is certainly no cut. Lucy, welcome to Tucson.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. MCINTOSH].

(Mr. MCINTOSH asked and was given permission to revise and extend his remarks.)

Mr. MCINTOSH. Mr. Chairman, I rise in support of the contract with our children, the Solomon-Neumann budget. I think it is a tremendous effort, because it moves forward in not only ending the deficit spending, but paying off the debt that we owe in this country. Right now, every family in America owes \$50,000 of debt when you divide up the national debt for a family. That means that we pay in taxes \$2,000 per family just to pay the interest on that debt.

The time to act is now, to start paying off the debt, so that we do not leave a terrible legacy for our children of a debt that they can never recover from. We need to do more work on this. We need to make sure that as we cut farm subsidies, we also provide regulatory relief so they can continue to make a good living. As we cut defense spending, we need to have procurement reform so we are not spending excess and wasteful amounts of money. I rise in support of this budget.

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Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I do not have a picture of the woman I want to talk about today. She came to see me yesterday. Her name is Ms. Betty Glass. She and my husband and I lived in the same neighborhood for many, many years, where my husband and I raised our children.

She is a woman who is bright; she understands things. She read the Republican budget. She looks at the figure \$280 billion and change in Medicare money. She knows you cannot just get there by efficiency, new technology, by getting rid of fraud. She knows what is going to happen.

We talked yesterday about what is going to happen with fees. That neighborhood we live in, people used to be municipal workers, teachers. They are on small pensions. If the fees are increased, it is going to be very difficult.

We talked about getting a doctor to take care of somebody who is elderly.

Geriatrics was never very popular in the medical profession, but if you squeeze down the fees doctors get, people are going to have a harder time getting that doctor.

Then we talked about our town hospital, St. Francis Hospital, that we both go to, and we talked about Mt. Sinai Hospital, and St. Francis and Mt. Sinai had such a hard time, they had to merge. If Medicare is cut back they are going to be squeezed and we don't know if that hospital will stay in business.

This woman is like President Clinton. She knows that we have to reduce the rate of the growth of Medicare and she will accept that. She came in because she was representing the AARP, the American Association of Retired People.

She is willing to take what they have to have to make sure we balance the budget, but she does not think it is fair that you take \$280 billion out of Medicare and say you are not reducing anything. She knows better.

I wish I had her picture here because she represents a lot of people across the Nation. Medicare people over 65 want to do their fair share, but what they do not want to do is have the one universal system we have in this country—we did not do medical health care last year—we have a universal system in Medicare, and we should not hurt that system.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Chairman, I want to thank the gentleman from New York [Mr. SOLOMON] for his leadership in the last Congress and over the years.

I am particularly proud also of my freshman colleague, the gentleman from Wisconsin [Mr. NEUMANN]. He came here to Congress as a businessman and said this is not the way you run a government. You do not put the Social Security surplus in the budget. You do not try to talk just about how we are going to get to a balanced budget on an annual basis. We have to look at the long-term debt.

He worked at it, rounded up others and was persistent in all of our meetings, through the Committee on the Budget, the Committee on Appropriations, and in our class. I want to commend his leadership particularly because while I have my mother and father-in-law who are struggling in their health care and in Medicare, and I do not have any desire to hurt them, which is why we are not cutting it, we are increasing it at a slower rate, but I am also concerned for my three children. It is a balance that we have to achieve because if we do not achieve that balance, there will be no future Medicare for me when I get there or Social Security for my children.

Mr. NEUMANN. Mr. Chairman, I yield 1½ minutes to my good friend, the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Chairman, I rise in support today of both the Neumann budget and the Kasich budget

that are going to be coming in front of this body. These are both good bills, and they are both going to do a good job and something good for America that we have not seen for 25 years—balance the budget. These are important things, and this is an incredible and historic debate that the people are watching take place that we have not had in 25 years.

Let me tell you the specific reason why I am also voting for the Neumann budget. That is simply this: It pays the debt off in 30 years, something we can all identify with. Most of us have mortgages on our homes that are 30 years in length. It pays the mortgage on America off in 30 years.

It is tough medicine. This is a tough thing to do. This is difficult, but I would submit to you it is very analogous to going to the doctor's office, and going to that doctor and getting a shot that would protect you against a future disease.

If you went in to that doctor and you got a shot and you asked the popularity of that doctor that day, I would guess that the people that got the shot, they would say he is not a very popular doctor. But ask 6 months or 1 year later when somebody does not get that disease, and can live a healthy life and grow and prosper in this country, and they will say that is a good doctor.

This is tough medicine. It is good medicine. It is what we need to do for the country. Vote for Kasich. Vote for Neumann.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I want to commend the gentleman from New York [Mr. SOLOMON] and the gentleman from Wisconsin [Mr. NEUMANN] for giving me something I can be proud of.

We see charts up here we cannot really understand, most people cannot, but I want to show you a chart that is real. This is the generation that President Clinton talked about that would have an 82 percent tax rate. I was fighting for the women in the 1960's to have freedom. That little girl in the middle is going to have no freedom. She is going to have an 82 percent tax rate. Tell me how much freedom she has with 18 percent left.

What we are doing is taking the biggest, most expensive credit card, our voting card, and we are determining the future of those little people. I want to tell Members, I am going to be proud to vote for a balanced budget so I give people like my little Dallis or my little Heather back their freedom, and that all the women who fought for freedom all those years will know that we still have freedom.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, what we are talking about today is really restoring the

American dream. Time Magazine had a great article in this week's issue about the importance of balancing the budget. We start talking about the specifics. We have to think about the future. This is the American dream, by going to the balanced budget by the year 2002.

I will probably not be voting for the substitute we are talking about now because I think it may be going a little bit too fast. But we have to think about the future of our children, of our grandparents today. It is so important.

To think that we have a debt of \$19,000 for every man, woman and child in this country that we are paying interest on every year, that the interest on the national debt in 2 more years will be greater than the entire Defense Department debt, it is obscene the amount of money we are paying on the cost of this debt. We must balance this budget.

That is what we are talking about, increasing the standard of living of Americans, making it available, the American dream, for all Americans. I am excited about that opportunity, that today we are going to start that process of going to that balanced budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, I too will support the Kasich plan and the Neumann-Solomon budget. I call the Neumann budget the why-not budget because my constituents back at home say to me, "Why can not we just freeze spending at last year's levels?" People in Washington say it can not be done. My constituents say, "Why not?"

They ask me, "Why can't we just bite the bullet and pay off the debt while we're at it?" People in D.C. say it can not be done. My constituents say, "Why not?"

People back home say, "Why can't a guy go to Washington and immediately make a difference?" The gentleman from Wisconsin [Mr. NEUMANN] has proved you can. He is a freshman. This is the why-not budget.

I came here to defend the programs in my district but I came here most importantly to defend freedom in this country. In this world, in fact. We are the last best hope for freedom in this world, and this is the first step toward saving the United States of America from an economic train wreck.

Mr. SABO. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, the budget that the Republicans are supporting and will probably pass today is the greatest raid on the wealth, the income and the assets of working people in this country.

It is going to mean that their day care is going to be more expensive

when they have small children. It means that there are going to be fewer school books to teach their children when they enter school. It means that nutrition, as we have already seen, is going to go up dramatically for those working families that have their children in child nutrition programs.

Student loans are going to be more expensive. If they are trying to take care of their elderly parents in nursing homes, that is going to become more expensive because of the Medicaid cuts and quite certainly, as we have all heard here now, a \$1,000 increase in the Medicare to the elderly.

Why? Because Republicans simply chose not to address the tax breaks for the wealthy that they insist on clinging to. They chose not to address, as we read in this morning's paper, the \$25 billion in corporate welfare where huge corporations, wealthy corporations are taking the taxpayers' dollars from working families.

One of the previous speakers said they could pay off the debt in 30 years. Yes, working families in their country will shoulder the burden for paying off the debt, but the billionaires will not, the corporations will not, and the wealthy of this country will not share that burden, because you have chosen to put the burden on working families of this country.

Mr. NEUMANN. Mr. Chairman, I yield 30 seconds to my good friend, the gentleman from Tennessee [Mr. HILLEARY].

(Mr. HILLEARY asked and was given permission to revise and extend his remarks.)

Mr. HILLEARY. Mr. Chairman, you can't say a whole lot in 30 seconds, but I just wanted to rise today in support of the substitute amendment of my good friend the gentleman from Wisconsin.

In the freshman class, ever since we have been elected we are the closest to the people by definition. We were only elected a few months ago.

The freshman class has tried time and time again to show that we are different, that we can push this Congress and this country in the right direction. This budget does it. I rise in support of it today.

I ask every one of my colleagues to rise and support this. We can save \$600 billion off the debt if we balance the budget in 5 years.

Mr. NEUMANN. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from Wisconsin [Mr. NEUMANN] has 5 minutes 15 seconds remaining.

Mr. KOLBE. Mr. Chairman, I yield 1 minute of my remaining time to the gentleman from Wisconsin [Mr. NEUMANN].

The CHAIRMAN. The gentleman from Wisconsin has 6 minutes 15 seconds remaining.

Mr. NEUMANN. Mr. Chairman, I yield myself 1 minute 15 seconds.

Mr. Chairman, I have heard a lot of rhetoric out here on both sides of the

aisle. It seems we spend a lot of time talking back and forth here as Democrats and Republicans. The Nation was formed by a group of people who passed on a country that was great to us. With that they gave us a very great responsibility.

We have got fiscal problems, folks. Let's get past the Democrats-and-Republicans part of this thing and let's join together today voting yes on a package that balances the budget in 5 years, pays off the debt in 30 years, restores the Social Security trust fund, and saves our children \$600 billion. Let's do this not as Democrats, not as Republicans, but let's do this as Americans who care a lot about our country so that together we can pass this Nation on to our children in a form that we are very proud of.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, this is a wonderful mythological event today. The Republicans are trying to sell the idea to the American people that you can make massive cuts in programs and give big tax breaks to the wealthy in this country and nobody will feel it.

This budget takes health care away from 7 million children in the Medicaid Program. I do not know all about agriculture and defense and all the other things, but I do know about this budget with respect to health.

The idea that the Medicare is not a cut, the gentleman from Arizona [Mr. KOLBE] today, the gentleman from Connecticut [Mr. SHAYS] yesterday stood up over and over again and said it is not a cut. The Republican plan mandates growth of 5.4 percent and says that is all right because private insurance is only increasing at 4 percent.

The 4 percent growth rate from the private sector health insurance premiums claimed by Republicans is a made-up number. There is no study, no one can bring a study on the floor that shows that, because it does not exist.

□ 1315

It is made up, and everyone agrees that the private health insurance rates, at least CBO and Medicare actuaries say it is going to grow at 7.6 percent.

That means that for the Republican Medicare voucher plan put forward by the gentleman from Connecticut [Mr. SHAYS] and the Committee on the Budget, if that is adopted, senior citizens will be paying one-quarter of their benefits which Medicare now provides in its entirety, and the erosion will continue and continue.

If Members believe that the American people believe that they can have a free lunch and they can all be for free, and it will not hurt anybody, keep pushing this budget, because there will be another vote here, it will not be only on this floor, it will be in November 1996. You will find out the result then.

The CHAIRMAN. All time controlled by the gentleman from Minnesota [Mr. SABO] has expired.

Mr. NEUMANN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. HANCOCK].

(Mr. HANCOCK asked and was given permission to revise and extend his remarks.)

Mr. HANCOCK. Mr. Chairman, I would state I fully support and hope we can balance the budget and welcome in the next century.

Mr. NEUMANN. Mr. Chairman, I yield the balance of my time, 5 minutes, to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for yielding time to me.

Look at this chart. Look at this newspaper ad. They describe free money from the Federal Government. Free guide reveals how people can get their hands on billions of Federal tax dollars. Free. Nobody has to pay it back. That is what this debate is all about.

Ladies and gentlemen, today is a truly historic day. It is one I have waited for for so long, because 1 hour from right now this House will pass a visionary blueprint that will finally lead to a balanced budget in this Government. It will put an end to the drunken spending spree that this Congress has been on for so many years, a tidal wave of debt that has turned this great country into the debtor nation. What a shame.

Ladies and gentlemen, we have almost reached the point of no return. But today we can and we will reverse the irresponsible spending habits of Congress by finally enacting a balanced budget blueprint. The question before us today is not whether we will balance the budget, it is how we will do it.

Mr. Chairman, I am the chairman of the Committee on Rules. I am privileged to chair that committee, and with our Members we have written a rule that says no budget alternative on this floor today will be unbalanced. Members are going to vote today for a balanced budget, and they have no choice. And the only remaining question in this debate is how do we do it, in 5 or 7 years.

Mr. Chairman, our balanced budget task force and a large number of freshman Republicans that I am so proud of, led by MARK NEUMANN, have before us today a 5-year budget plan. It is almost identical to the plan of the Committee on the Budget, including the House-passed tax cuts.

The big difference between these two excellent plans is the additional debt added to the accumulated national deficit of \$5 trillion. Our plan accumulates \$600 billion less to that astronomical debt than does the committee plan.

Why is that so? Because our plan begins to make the cuts in years 1 and 2 instead of years 6 and 7. Look at this

chart. It explains it all. By making the same cuts early instead of late we save \$600 billion in deficits, including \$42 billion in interest that we pay out to foreign countries that hold our debt.

But most of all, we guarantee, ladies and gentlemen, that a balanced budget in 5 years is going to happen. Members of this House, I am sure you all know as I do, and many of you were here, that after passage of the landmark Gramm-Rudman legislation back in 1985, and which would have balanced the books in 1991, we began, just like we say we are going to do here today, we began to meet those deficit-reduction targets in the first 2 years.

But do Members know what happened? In 1987 there was a new Congress just elected, and that is liable to be what happens a couple of years from now. And back then we found it too difficult, even though we were in an economic recovery with billions of dollars rolling in in new revenues for the Federal Government, we found it impossible to meet the Gramm-Rudman target dates, and later on the balanced budget goals were extended and later they were abandoned entirely.

Members, we cannot let this happen today. The Neumann-Solomon substitute begins restraining the growth in spending right now. Next years we dramatically alter the infrastructure of the Federal Government so as to ensure that it will not grow back, and that is the difference between our budgets. If Members will look at this, our budget cuts in the first 2 years, not in the last 2 years.

Members, balancing the budget is more than a game of numbers or even an act of fiscal responsibility. It is a moral imperative given to us by the people who are here today in this audience, the people who are watching, the American families, my children, my grandchildren, and children to come. We have to balance this budget, and we have to do it now. Today we have a historic opportunity to choose between a 7-year plan that in fact will lead to a balanced budget, but it does so in the next century, 7 years from now. Or we can vote for our 5-year plan that balances the budget in this century. It does it right, Mr. Chairman. If Members vote for a 5-year plan and it fails to get 218 votes, they can do as I will do. They can put their heart and soul behind final passage of whatever is the standing amendment before this body at the end of debate.

Please do it. America wins. Our budget is a better one. But regardless, if we pass either mine or the one from the Budget Committee we will have done the right thing. I urge Members to please vote for this one, and if it fails, vote for the committee budget. We will do it for America and our children.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] is recognized for 2 minutes to conclude debate on this amendment.

Mr. KOLBE. Mr. Chairman, I want to thank the gentleman from Wisconsin

and the gentleman from New York for their contribution to this debate. This has been a historic debate.

I also want to respond to the last speaker on the other side who talked about again, we have heard it over and over again, the cuts in Medicare and in Medicaid, and yet under our plan Medicaid spending would increase from \$444 billion that we spent over the last 7 years to \$668 billion over the next 7 years, and Medicare spending would, on a per beneficiary basis, go up from \$4,700 per beneficiary to \$6,300.

Mr. Chairman, only in Washington, only in Washington, not the State of Washington where the gentleman comes from, but only in Washington, DC, can we call that cuts. Only in Washington would we consider that kind of increase to be cuts.

The gentleman also talked about the assumptions, say it simply is not true. You can have a 4.4-percent private health insurance increase, but HCFA, the health care financing agency, says that is exactly what it is; that is their document, not ours.

We have a lot in common in this debate on this amendment versus the committee's amendment or the committee's budget. Both of us got to a balanced budget, and both of us call for debt reduction following that. And that, after all, Mr. Chairman, is what this is all about, not just getting to zero deficit, but to get that huge burden of debt off of our backs and off of the generation that will follow us, off of their backs. And both of us call for doing that.

Surely this debate is about our future. We say reduce spending, get to a balanced budget, do it by reducing spending, return some of the tax dollars, the hard-earned tax dollars that belong to the American citizens, return it to the people of America, return it to the people of America.

We can and we will achieve a balanced budget at the end of 7 years, Mr. Chairman.

The CHAIRMAN. All time for debate on the amendment in the nature of a substitute offered by the gentleman from Wisconsin [Mr. NEUMANN] has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin [Mr. NEUMANN].

The question was taken; and the Chairman announced that the ayes appear to have it.

#### RECORDED VOTE

Mr. KOLBE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 89, noes 342, not voting 3, as follows:

[Roll No. 343]

AYES—89

Allard	Brownback	Chabot
Baker (CA)	Bryant (TN)	Chenoweth
Bartlett	Burr	Christensen
Barton	Burton	Chrysler

Coburn	Gutknecht	Ros-Lehtinen
Combust	Hancock	Roth
Condit	Hansen	Royce
Cooley	Hayworth	Salmon
Cox	Hilleary	Sanford
Crane	Hoekstra	Scarborough
Crapo	Hostettler	Schaefer
Cubin	Istook	Seastrand
Diaz-Balart	Johnson, Sam	Sensenbrenner
Doolittle	Jones	Smith (MI)
Dreier	Kingston	Smith (WA)
Duncan	Klug	Solomon
Ehlers	Largent	Souder
Ensign	Manzullo	Stockman
Fawell	McInnis	Tauzin
Foley	McIntosh	Taylor (MS)
Forbes	Metcalf	Thornberry
Ford	Mica	Tiahrt
Fox	Moorhead	Torkildsen
Frisa	Myers	Upton
Funderburk	Neumann	Waldholtz
Geren	Norwood	Wamp
Gilchrest	Petri	White
Goodlatte	Pombo	Zeliff
Goss	Quillen	Zimmer
Graham	Rohrabacher	

NOES—342

Abercrombie	DeLay	Houghton
Ackerman	Dellums	Hoyer
Andrews	Deutsch	Hunter
Archer	Dickey	Hutchinson
Armey	Dicks	Hyde
Bachus	Dingell	Inglis
Baessler	Dixon	Jackson-Lee
Baker (LA)	Doggett	Jacobs
Baldacci	Dooley	Jefferson
Ballenger	Dornan	Johnson (CT)
Barcia	Doyle	Johnson (SD)
Barr	Dunn	Johnson, E. B.
Barrett (NE)	Durbin	Johnston
Barrett (WI)	Edwards	Kanjorski
Bass	Ehrlich	Kaptur
Bateman	Emerson	Kasich
Becerra	Engel	Kelly
Beilenson	English	Kennedy (MA)
Bentsen	Eshoo	Kennedy (RI)
Bereuter	Evans	Kennelly
Bevill	Everett	Kildee
Bilbray	Ewing	Kim
Bilirakis	Farr	King
Bishop	Fattah	Klink
Bliley	Fazio	Knollenberg
Blute	Fields (LA)	Kolbe
Boehlert	Fields (TX)	LaFalce
Boehner	Filner	LaHood
Bonilla	Flake	Lantos
Bonior	Flanagan	Latham
Borski	Foglietta	LaTourette
Boucher	Fowler	Laughlin
Brewster	Frank (MA)	Lazio
Browder	Franks (CT)	Leach
Brown (CA)	Franks (NJ)	Levin
Brown (FL)	Frelinghuysen	Lewis (CA)
Brown (OH)	Frost	Lewis (GA)
Bryant (TX)	Furse	Lewis (KY)
Bunn	Galleghy	Lightfoot
Bunning	Ganske	Lincoln
Buyer	Gejdenson	Linder
Callahan	Gekas	Lipinski
Calvert	Gephardt	Livingston
Camp	Gibbons	LoBiondo
Canady	Gillmor	Lofgren
Cardin	Gilman	Longley
Castle	Gonzalez	Lowey
Chambliss	Goodling	Lucas
Chapman	Gordon	Luther
Clay	Green	Maloney
Clayton	Greenwood	Manton
Clement	Gunderson	Markey
Clinger	Gutierrez	Martinez
Clyburn	Hall (OH)	Martini
Coble	Hall (TX)	Mascara
Coleman	Hamilton	Matsui
Collins (GA)	Harman	McCarthy
Collins (IL)	Hastert	McCollum
Collins (MI)	Hastings (FL)	McCrery
Conyers	Hastings (WA)	McDade
Costello	Hayes	McDermott
Coyne	Hefley	McHale
Cramer	Hefner	McHugh
Cremins	Heineman	McKeon
Cunningham	Herger	McKinney
Danner	Hilliard	McNulty
Davis	Hinchey	Meehan
de la Garza	Hobson	Meek
Deal	Hoke	Menendez
DeFazio	Holden	Meyers
DeLauro	Horn	Mfume

Miller (CA)	Rahall	Stump
Miller (FL)	Ramstad	Stupak
Mineta	Rangel	Talent
Minge	Reed	Tanner
Mink	Regula	Tate
Moakley	Reynolds	Taylor (NC)
Molinari	Richardson	Tejeda
Mollohan	Riggs	Thomas
Montgomery	Rivers	Thompson
Moran	Roberts	Thornton
Morella	Roemer	Thurman
Murtha	Rogers	Torres
Myrick	Rose	Torricelli
Nadler	Roukema	Towns
Neal	Roybal-Allard	Trafficant
Nethercutt	Rush	Tucker
Ney	Sabo	Velazquez
Nussle	Sanders	Vento
Oberstar	Sawyer	Visclosky
Obey	Saxton	Volkmer
Olver	Schiff	Vucanovich
Ortiz	Schroeder	Walker
Orton	Schumer	Walsh
Owens	Scott	Ward
Oxley	Serrano	Waters
Packard	Shadegg	Watt (NC)
Pallone	Shaw	Watts (OK)
Parker	Shays	Waxman
Pastor	Shuster	Weldon (FL)
Paxon	Sisisky	Weldon (PA)
Payne (NJ)	Skaggs	Weller
Payne (VA)	Skeen	Whitfield
Pelosi	Skelton	Wicker
Peterson (FL)	Slaughter	Williams
Peterson (MN)	Smith (NJ)	Wilson
Pickett	Smith (TX)	Wise
Pomeroy	Spence	Wolf
Porter	Spratt	Woolsey
Portman	Stark	Wyden
Poshard	Stearns	Wynn
Pryce	Stenholm	Yates
Quinn	Stokes	Young (AK)
Radanovich	Studds	Young (FL)

NOT VOTING—3

Berman Bono Kleczka

□ 1344

Mr. DICKEY, Mr. TAYLOR of North Carolina, Mrs. KELLY, Mr. HORN, and Mr. RANGEL changed their vote from “aye” to “no.”

Messrs. COMBEST, CRAPO, FOLEY, QUILLEN, and MOORHEAD changed their vote from “no” to “aye.”

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider an amendment in the nature of a substitute to be offered by the gentleman from New Jersey [Mr. PAYNE] or the gentleman from New York [Mr. OWENS], printed in the CONGRESSIONAL RECORD of May 16, 1995.

□ 1345

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
OFFERED BY MR. PAYNE OF NEW JERSEY

Mr. PAYNE of New Jersey. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. PAYNE of New Jersey:

Strike all after the resolving clause and insert the following:

# SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as

required by section 301 of the Congressional Budget Act of 1974.

## SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: \$1,060,800,000,000.

Fiscal year 1997: \$1,113,500,000,000.

Fiscal year 1998: \$1,199,600,000,000.

Fiscal year 1999: \$1,290,530,000,000.

Fiscal year 2000: \$1,361,430,000,000.

Fiscal year 2001: \$1,495,274,000,000.

Fiscal year 2002: \$1,576,520,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: \$17,800,000,000.

Fiscal year 1997: \$30,000,000,000.

Fiscal year 1998: \$64,600,000,000.

Fiscal year 1999: \$103,130,000,000.

Fiscal year 2000: \$115,930,000,000.

Fiscal year 2001: \$183,774,000,000.

Fiscal year 2002: \$195,520,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: \$103,800,000,000.

Fiscal year 1997: \$109,000,000,000.

Fiscal year 1998: \$114,900,000,000.

Fiscal year 1999: \$120,700,000,000.

Fiscal year 2000: \$126,900,000,000.

Fiscal year 2001: \$133,600,000,000.

Fiscal year 2002: \$140,400,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: \$1,305,645,000,000.

Fiscal year 1997: \$1,351,766,000,000.

Fiscal year 1998: \$1,418,293,000,000.

Fiscal year 1999: \$1,477,601,000,000.

Fiscal year 2000: \$1,554,772,000,000.

Fiscal year 2001: \$1,635,012,000,000.

Fiscal year 2002: \$1,705,270,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: \$1,310,531,000,000.

Fiscal year 1997: \$1,360,603,000,000.

Fiscal year 1998: \$1,406,588,000,000.

Fiscal year 1999: \$1,473,786,000,000.

Fiscal year 2000: \$1,532,385,000,000.

Fiscal year 2001: \$1,586,550,000,000.

Fiscal year 2002: \$1,657,024,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: \$249,731,000,000.

Fiscal year 1997: \$247,103,000,000.

Fiscal year 1998: \$206,988,000,000.

Fiscal year 1999: \$183,256,000,000.

Fiscal year 2000: \$170,955,000,000.

Fiscal year 2001: \$99,830,000,000.

Fiscal year 2002: \$80,504,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: \$5,195,000,000,000.

Fiscal year 1997: \$5,516,000,000,000.

Fiscal year 1998: \$5,810,000,000,000.

Fiscal year 1999: \$6,100,000,000,000.

Fiscal year 2000: \$6,374,000,000,000.

Fiscal year 2001: \$6,614,000,000,000.

Fiscal year 2002: \$6,806,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:

(A) New direct loan obligations, \$37,600,000,000.

(B) New primary loan guarantee commitments, \$193,400,000,000.

Fiscal year 1997:

(A) New direct loan obligations, \$40,200,000,000.

(B) New primary loan guarantee commitments, \$187,900,000,000.

Fiscal year 1998:

(A) New direct loan obligations, \$42,300,000,000.

(B) New primary loan guarantee commitments, \$185,300,000,000.

Fiscal year 1999:

(A) New direct loan obligations, \$45,700,000,000.

(B) New primary loan guarantee commitments, \$183,300,000,000.

Fiscal year 2000:

(A) New direct loan obligations, \$45,800,000,000.

(B) New primary loan guarantee commitments, \$184,700,000,000.

Fiscal year 2001:

(A) New direct loan obligations, \$45,800,000,000.

(B) New primary loan guarantee commitments, \$186,100,000,000.

Fiscal year 2002:

(A) New direct loan obligations, \$46,100,000,000.

(B) New primary loan guarantee commitments, \$187,600,000,000.

## SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, \$226,800,000,000.

(B) Outlays, \$252,900,000,000.

(C) New direct loan obligations, \$0

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$215,200,000,000.

(B) Outlays, \$242,400,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$220,500,000,000.

(B) Outlays, \$236,900,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$223,600,000,000.

(B) Outlays, \$239,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$230,100,000,000.

(B) Outlays, \$244,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$250,867,000,000.

(B) Outlays, \$244,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$1,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$250,947,000,000.

(B) Outlays, \$244,100,000,000.



(C) New direct loan obligations,  
\$1,200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$3,750,000,000.

(B) Outlays, \$2,585,000,000.

(C) New direct loan obligations,  
\$1,200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(5) Natural Resources and Environment (300):

Fiscal year 1996:

(A) New budget authority, \$22,570,000,000.

(B) Outlays, \$21,212,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$22,476,000,000.

(B) Outlays, \$21,498,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$21,874,000,000.

(B) Outlays, \$21,206,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$21,368,000,000.

(B) Outlays, \$20,775,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$20,753,000,000.

(B) Outlays, \$20,134,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$20,836,000,000.

(B) Outlays, \$20,134,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$20,815,000,000.

(B) Outlays, \$20,134,000,000.

(C) New direct loan obligations,  
\$100,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(6) Agriculture (350):

Fiscal year 1996:

(A) New budget authority, \$13,713,000,000.

(B) Outlays, \$12,309,000,000.

(C) New direct loan obligations,  
\$11,500,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$12,598,000,000.

(B) Outlays, \$11,247,000,000.

(C) New direct loan obligations, \$11,500,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$11,144,000,000.

(B) Outlays, \$9,993,000,000.

(C) New direct loan obligations, \$10,900,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$9,936,000,000.

(B) Outlays, \$8,718,000,000.

(C) New direct loan obligations, \$11,600,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$9,207,000,000.

(B) Outlays, \$8,060,000,000.

(C) New direct loan obligations, \$11,400,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$8,953,000,000.

(B) Outlays, \$8,066,000,000.

(C) New direct loan obligations, \$11,100,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$8,960,000,000.

(B) Outlays, \$8,072,000,000.

(C) New direct loan obligations, \$10,900,000,000.

(D) New primary loan guarantee commitments, \$5,700,000,000.

(E) New secondary loan guarantee commitments, \$0.

(7) Commerce and Housing Credit (370):

Fiscal year 1996:

(A) New budget authority, \$4,191,000,000.

(B) Outlays, minus \$6,339,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$4,104,000,000.

(B) Outlays, — \$4,016,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$3,631,000,000.

(B) Outlays, — \$5,151,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$4,419,000,000.

(B) Outlays, — \$2,927,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$6,504,000,000.

(B) Outlays, — \$2,320,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$11,739,000,000.

(B) Outlays, — \$1,381,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$12,420,000,000.

(B) Outlays, — \$345,000,000.

(C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$123,100,000,000.

(E) New secondary loan guarantee commitments, \$0.

(8) Transportation (400):

Fiscal year 1996:

(A) New budget authority, \$33,369,000,000.

(B) Outlays, \$34,480,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$39,515,000,000.

(B) Outlays, \$35,429,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$41,038,000,000.

(B) Outlays, \$36,590,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$42,677,000,000.

(B) Outlays, \$37,965,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$44,360,000,000.

(B) Outlays, \$39,519,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$43,327,000,000.

(B) Outlays, \$39,519,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$42,389,000,000.

(B) Outlays, \$39,519,000,000.

(C) New direct loan obligations, \$200,000,000.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(9) Community and Regional Development (450):

Fiscal year 1996:

(A) New budget authority, \$10,780,000,000.

(B) Outlays, \$12,325,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$10,749,000,000.

(B) Outlays, \$12,540,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$11,181,000,000.

(B) Outlays, \$12,599,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$11,658,000,000.

(B) Outlays, \$13,226,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$12,062,000,000.

(B) Outlays, \$12,486,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$13,374,000,000.

(B) Outlays, \$12,573,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$13,468,000,000.

(B) Outlays, \$12,661,000,000.

(C) New direct loan obligations, \$2,700,000,000.

(D) New primary loan guarantee commitments, \$1,200,000,000.

(E) New secondary loan guarantee commitments, \$0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1996:

(A) New budget authority, \$61,801,000,000.

(B) Outlays, \$59,939,000,000.

(C) New direct loan obligations, \$13,600,000,000.

(D) New primary loan guarantee commitments, \$16,300,000,000.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$62,853,000,000.

(B) Outlays, \$62,114,000,000.

Fiscal year 2001:

Fiscal year 2001:  
(A) New budget authority, \$13,974,000,000.  
(B) Outlays, \$13,625,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:  
(A) New budget authority, \$13,964,000,000.  
(B) Outlays, \$13,625,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

(18) Net Interest (900):  
Fiscal year 1996:  
(A) New budget authority, \$295,828,000,000.  
(B) Outlays, \$295,828,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$304,289,000,000.  
(B) Outlays, \$304,289,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$308,696,000,000.  
(B) Outlays, \$308,696,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$314,655,000,000.  
(B) Outlays, \$314,655,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:  
(A) New budget authority, \$319,862,000,000.  
(B) Outlays, \$319,862,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:  
(A) New budget authority, \$320,646,000,000.  
(B) Outlays, \$320,646,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:  
(A) New budget authority, \$323,331,000,000.  
(B) Outlays, \$323,331,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

(19) Allowances (920):  
Fiscal year 1996:  
(A) New budget authority, \$-1,258,000,000.  
(B) Outlays, \$-1,195,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$-1,258,000,000.  
(B) Outlays, \$-1,195,000,000.  
(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$-1,258,000,000.

(B) Outlays, \$-1,195,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$-1,258,000,000.

(B) Outlays, \$-1,195,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$-1,258,000,000.

(B) Outlays, \$-1,195,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$-1,258,000,000.

(B) Outlays, \$-1,195,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$-1,258,000,000.

(B) Outlays, \$-1,195,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1996:

(A) New budget authority, \$-31,293,000,000.

(B) Outlays, \$-31,293,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$-35,961,000,000.

(B) Outlays, \$-35,961,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$-37,148,000,000.

(B) Outlays, \$-37,148,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$-38,127,000,000.

(B) Outlays, \$-38,127,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2000:

(A) New budget authority, \$-40,276,000,000.

(B) Outlays, \$-40,276,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2001:

(A) New budget authority, \$-41,614,000,000.

(B) Outlays, \$-41,614,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

Fiscal year 2002:

(A) New budget authority, \$-42,937,000,000.

(B) Outlays, \$-42,937,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(E) New secondary loan guarantee commitments, \$0.

#### SEC. 4. RECONCILIATION.

(a) Not later than September 1, 1995, the House committees named in subsections (b) through (o) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 1996, \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 1997, \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 1998, \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 1999, \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 2000, \$2,250,000,000 in budget authority and \$2,061,600,000 in outlays in fiscal year 2001, and \$2,250,000,000 in budget authority and \$2,061,600,000 in fiscal year 2002.

(d) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 1996, \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 1997, \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 1998, \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 1999, \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 2000, \$5,100,000,000 in budget authority and \$5,100,000,000 in outlays in fiscal year 2001, and \$5,100,000,000 in budget authority and \$5,100,000,000 in fiscal year 2002.

(h) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 1996, \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 1997, \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 1998, \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 1999, \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 2000, \$43,000,000 in budget authority and \$43,000,000 in outlays in fiscal year 2001, and \$43,000,000 in budget authority and \$43,000,000 in fiscal year 2002.

(j) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,250,000,000 in budget authority and \$1,250,000,000 in outlays in fiscal year 1996, \$1,250,000,000 in budget authority and \$1,250,000,000 in outlays in fiscal year 1997, \$1,250,000,000 in budget authority and \$1,250,000,000 in outlays in fiscal year 1998, \$1,250,000,000 in budget authority and

\$1,250,000,000 in outlays in fiscal year 1999, \$1,250,000,000 in budget authority and \$1,250,000,000 in outlays in fiscal year 2000, \$1,250,000,000 in budget authority and \$1,250,000,000 in outlays in fiscal year 2001, and \$1,250,000,000 in budget authority and \$1,250,000,000 in fiscal year 2002.

(l) The House Committee on Small Business shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 1996, \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 1997, \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 1998, \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 1999, \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 2000, \$14,285,000 in budget authority and \$14,285,000 in outlays in fiscal year 2001, and \$14,285,000 in budget authority and \$14,285,000 in fiscal year 2002.

(m) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: \$1,340,000,000 in budget authority and \$1,340,000,000 in outlays in fiscal year 1996, \$1,336,000,000 in budget authority and \$1,336,000,000 in outlays in fiscal year 1997, \$1,336,000,000 in budget authority and \$1,336,000,000 in outlays in fiscal year 1998, \$1,336,000,000 in budget authority and \$1,336,000,000 in outlays in fiscal year 1999, \$1,336,000,000 in budget authority and \$1,336,000,000 in outlays in fiscal year 2000, \$1,336,000,000 in budget authority and \$1,336,000,000 in outlays in fiscal year 2001, and \$1,336,000,000 in budget authority and \$1,336,000,000 in fiscal year 2002.

(o) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues, as follows: \$17,800,000,000 in fiscal year 1996, \$30,000,000,000 in fiscal year 1997, \$64,600,000,000 in fiscal year 1998, \$103,130,000,000 in fiscal year 1999, \$115,930,000,000 in fiscal year 2000, \$183,774,000,000 in fiscal year 2001, and \$195,520,000,000 in fiscal year 2002.

(p) For purposes of this section, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the term "new budget authority" has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974.

The CHAIRMAN. Under the rule, the gentleman from New Jersey [Mr. PAYNE] and a Member opposed will each be recognized for 30 minutes.

Who seeks time in opposition?

Mr. KASICH. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as chairman of the Congressional Black Caucus, I am proud to join my colleague MAJOR OWENS in bringing before the House of Representatives a sound, responsible budget plan.

While members of the Caucus are committed to fiscal responsibility, we do question the strict, inflexible 7-year

deadline for producing a balanced budget which we were forced to abide by in order to bring this resolution to the floor. Most families in America could not balance their budgets if they were banned from getting mortgages and had to pay cash up front for their house, or their car, or their children's braces.

Ours is a blueprint which reflects our belief in the United States of America as a land of opportunity, not just for the affluent, but for all of us.

We call our plan the Caring Majority Alternative Budget, because we believe in this country as a place where the majority of people care about their neighbors, care about our older people who have sacrificed so much for the freedoms we enjoy today, care about the children and young people who want and deserve a chance to succeed. Our budget recognizes the crucial link between education and success. We recognize that no nation can build a strong economy when we have 40 million illiterate Americans, when children are going to schools with leaking roofs and outdated books, when college costs increased and student aid decreases. To reinvest in America, our budget increases funding for education and job training by 25 percent. We continue highly successful programs like Head Start, which has given valuable early learning experiences to youngsters from low-income families.

Our budget reflects our concern for the quality of education our children are able to enjoy and the job skills they are able to develop. We continue President Clinton's successful National Service program, which has given young people a renewed sense of community spirit as well as an opportunity to succeed. We support school-to-work programs and one-stop career centers to help prepare young people for the work force. We include innovative ideas such as providing access to computers and the information superhighway at local libraries to ensure that no one is left behind as we race towards the 21st century.

Our budget protects Medicare and Medicaid, two crucial programs to safeguard the health of older Americans and low-income families. Efforts to reform the health care system of our Nation were met with vigorous opposition by special interests fearful of losing profits, yet we have seen no workable alternative plan. Health care should not be a luxury. Too many Americans are only one paycheck or retirement check away from losing everything in the event of a major illness or accident.

Our plan also responds to the new global realities and the end of the cold war. We recognize that we can provide for a sound national defense without pouring huge amounts of money into weapons we don't need and for which there is no justification or rationale. Funneling valuable resources away from our most pressing needs threatens to make our Nation weaker, not stronger.

As a superpower, the United States must also exert moral leadership. Our budget provides humanitarian, education, and development assistance for struggling nations, some of which have been plagued with starvation and other life-threatening crises.

As we celebrate the 50th anniversary of the great Allied victory in World War II, our budget keeps our promise to our Nation's veterans by maintaining their benefits. Our budget keeps our promise with Federal workers and retirees.

In the wake of the tragedy at Oklahoma City, we recognize the contributions of our public servants.

We refuse to go along with the Republican plan to single out Federal workers for a tax increase and a pension cut. Instead of punishing our own workers, we have sought to raise revenue by requiring corporations to pay their fair share of the tax burden.

We protect small farmers, who work so hard to supply our Nation with an abundance of food. We protect the rural areas of our Nation, which were neglected for too long.

Whether everyone wants to admit it or not, we all know what happened to the Federal budget deficit the last time we tried trickle down economics. In the 1980's, when the Republican Party controlled the White House, the Senate, and was able to put together a working budget coalition in the House, the deficit began growing at an alarming rate. It grew in leaps and bounds.

It has finally begun to fall and our economy has gotten back on track under President Clinton's leadership.

The Congressional Black Caucus plan produces a balanced budget in a fair and responsible manner. I urge my colleagues to support the Congressional Black Caucus Caring Majority Budget.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute for the purpose of a colloquy with the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Ohio.

Mr. HOKE. Mr. Chairman, I want to clarify a provision in the Budget Committee report accompanying House Concurrent Resolution 67 with the gentleman from Ohio. As you know, language in the report concerning NASA's core missions is located in two sections of the report and was intended to be identical in both. Am I correct in my understanding that the language on page 63 of the report is the correct text and should replace the text on page 26?

Mr. KASICH. Yes, the gentleman is correct.

Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to, first of all, congratulate the Black Caucus on coming forward with a specific proposal in pointing their vision. To a large degree I may be a little biased in this, but I give my friend, the gentleman from California [Mr. DELLUMS], an awful lot

of credit because he started this process years ago, not just with the budget process, but with the defense process as well.

At the end of the day, Mr. Chairman, America has got to be one, and we have got to reach across the aisle, and reach across philosophies, and make sure this thing works for our country. We will talk about that as we get to the close, but I want to really praise the group for putting a vision forward, and frankly I am going to spend time over the next couple of weeks looking closely at that vision because there is no question that there are parts of this plan that ought to be listened to, respected and adopted as we go down the road, and I want to congratulate the chairman of the Black Caucus, the gentleman from New Jersey [Mr. PAYNE].

Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise in strong support of the Kasich balanced budget resolution and in opposition to the Owens budget. My reason for doing so is simple: our children. Balancing the budget is no longer just fiscally responsible, it is a moral imperative.

My two daughters will each pay \$115,000 in interest payments on the national debt in their lifetimes. When they enter the job market, they will negotiate a salary knowing that half of what they earn will be taken away in taxes. Whether or not they can realize the American dream of home ownership may well be affected by the 2 percent higher interest rates caused by the deficit.

The Kasich balanced budget is the most responsible and equitable plan before us today. It recognizes our constitutional duty to provide for the national defense and it lays the groundwork for a plan to preserve, protect, and improve Medicare. It will reduce the size, scope, and cost of the Federal Government, and ensure that our children have the future they deserve.

I urge my colleagues to support the Kasich plan.

Mr. PAYNE of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS], in support of the Congressional Black Caucus' alternative budget.

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, I want to thank the chairman of the Congressional Black Caucus [CBC], Mr. PAYNE, for his steadfast support of the development of this caring majority budget. I also want to thank the chairman of the House Progressive Caucus, Mr. SANDERS, for the steady stream of ideas and positions that have flowed from the Progressive Caucus since January. I also would like to thank all of the members of the CBC and their staff for

their help in completing this very worthwhile project. Particularly, I would like to thank members of my staff: Paul Seltman, Braden Goetz, and Jacqui Ellis, for the herculean effort they put forth to produce this budget.

This caring majority budget of the Congressional Black Caucus and the House Progressive Caucus meets the mandate that we produce a balanced budget. But this budget does not oppress the poor and the elderly in order to favor the rich and the privileged. This budget is balanced by eliminating corporate welfare and closing corporate tax loopholes. This caring majority budget is a budget for the benefit of all Americans.

Why is the Republican majority cutting Medicaid and Medicare to give a tax break to the rich and the privileged? Why are American taxpayers angry about the gross mismanagement of their Government? Why are American individual and family taxpayers being forced to shoulder 44 percent of the current tax burden while corporations are asked to cover no more than 11 percent of the tax burden? Since 1943, why has the corporate share of the tax burden dropped from a high of almost 40 percent to the present 11 percent? Why is the national deficit careening out of control?

The deficit is not out of control because we are spending too much on vital safety net programs. The deficit is out of control because the tax policies of the past few decades have dumped more and more of the tax burden on families through the personal income tax while those same tax policies have succumbed to massive pandering to the corporate sector. There is no fairness, no justice, and no balance in our present tax scheme.

The unique feature of this caring majority budget of the Congressional Black Caucus and the House Progressive Caucus is that it is a budget balanced by closing abusive tax loopholes and cutting corporate welfare. We offer a tax cut for all personal income taxpayers in order to begin the progress of restoring tax justice. We propose to end the personal income tax as we know it.

At the same time, we move to systematically begin decreasing the taxes on individuals and families, we must insist that the irresponsible corporate sector pay its fair share of the Nation's budget. This mandate for greater balance in the revenue area is the policy key to a balanced budget without reckless budget slashing. More balanced revenue collection policies can produce more balanced budgets.

And balanced is exactly what our plan is, in every sense of the word. Our plan has nearly a 1 to 1 ratio of spending cuts to revenue increases, while the Republican plan relies solely on spending cuts that hit the working poor and middle class the hardest. Our plan includes \$500 billion in corporate welfare cuts, while the Republican plan includes a mere \$18 billion.

I must also point out that the Republicans eliminate extended unemployment benefits. While that would save \$1.2 billion in 1996, so much more could be saved by instead doing what we have done in the caring majority budget: invest in the creation of jobs and thereby save the Federal Government money in the form of transfer payments, such as unemployment insurance and AFDC. In fact, by putting 13,000 more people to work, the Republicans could save that same \$1.2 billion. Our budget puts nearly 1 million more people to work by the year 2002, saving the Government \$110 billion.

In conclusion, I think it is pretty clear where the priorities of the caring majority are, as opposed to the priorities of the Republican Party. We do not protect the rich at the expense of the poor, or the powerful at the expense of the vulnerable. Our balanced budget is truly balanced in that it: provides a tax cut for hard-working Americans; invests more than 27 billion new dollars in education and job training, increasing that portion of the budget by 25 percent; creates at least 1 million jobs; completely protects Medicaid and Medicare at their current levels; completely protects Social Security, with no extensions of the age for eligibility or COLA cuts; and provides a more sane defense budget which offers a peace dividend to the taxpayers who have so diligently shouldered the burden of massive modern military costs.

The Republican budget is a budget for the rich and the privileged. It is a budget that is mean and extreme. It is a budget that abandons large segments of America. This caring majority budget of the CBC and the Progressive Caucus is a budget for all Americans.

□ 1400

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I intend to support the budget for which the gentleman is arguing. It is important to balance the budget, but there are more important things than even balancing the budget. It is important to keep in effect some of the programs for which we have fought over the years. For example, I noticed two items in the paper this morning. One indicated that \$60 billion is going to be spent for a new class of submarines. I do not know who our enemy is that would justify the expenditure of another \$60 billion.

The CHAIRMAN. The gentleman from New York [Mr. OWENS] has used 5 minutes, the gentleman from Illinois [Mr. YATES] has used 30 seconds.

Ms. MOLINARI. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, today is a time for truth. Today is a time for courage. Not too long ago on this floor a huge majority of this House voted in favor of a balanced budget amendment to the

U.S. Constitution, and most of those who voted against the balanced budget amendment said that they too were in favor of a balanced budget, merely against a constitutional amendment to reach that objective.

Well, today we have the opportunity to show that we have the courage of our convictions by moving beyond the easy rhetoric of balancing the budget to the difficult reality of actually achieving a balanced budget. We have talked the talk. Now it is time to walk the walk.

As for those who say that this cannot be done without a massive tax increase, those who advocate the status quo, those who offer no constructive alternative, I suggest that we not waste our time in condemning them, because they have condemned themselves by their timidity, just as they condemn future generations to a nation that is less prosperous, less secure, and less competitive, with less opportunity.

Instead, America should recognize that the new majority in this Congress has the courage, has the leadership, and has the commitment to live within our means, to stop spending money that does not belong to us, so that we can allow future generations to live in America with more opportunity, with more prosperity, and with more hope.

Mr. PAYNE of New Jersey. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. OWENS] and ask unanimous consent that the gentleman be allowed to yield said time.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OWENS. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois [Mr. YATES] to finish his thoughts.

(Mr. YATES asked and was given permission to revise and extend his remarks.)

Mr. YATES. Mr. Chairman, the other item I saw in the paper was that the National Institutes of Health, in which we have spent so many billions of dollars over the years in making it into one of the great research institutions of the country, is going to suffer tremendously in its research function because its budgets are being cut. I think there are more important things, that it is much more important to protect the health and welfare of the people of our country than cutting an agency like the National Institutes of Health.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan [Miss COLLINS].

(Miss COLLINS of Michigan asked and was given permission to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Chairman, I rise today in support of the Congressional Black Caucus alternative budget. This budget demonstrates a commitment to the American people. We will not sit idly by and cringe at the possibility that money



will be taken out of the homes and food off the tables of millions of Americans. The CBC budget calls for spending much less on defense than the Republican proposal. Believe it or not, we are at peace. Those who can least afford cuts, the poor, children, and the elderly, should not be required to bear the brunt of the Republican agenda. I ask, Mr. Chairman, is human life not more important than big business?

The CBC alternative budget will invest in programs people really need. Funding for Medicare and Medicaid will be maintained. In addition, education and job training will take high priority.

I stand before you today on behalf of the tens of millions of Americans who cannot stand for themselves. I ask my colleagues to balance this country's need with compassion for those who are unable to care for themselves.

Mr. SHAYS. Mr. Chairman, I yield two minutes to the distinguished chairman of the Committee on Government Reform and Oversight, the gentleman from Pennsylvania [Mr. CLINGER].

(Mr. CLINGER asked and was given permission to revise and extend his remarks.)

Mr. CLINGER. Mr. Chairman, I rise in opposition to the substitute amendment and in favor of the committee resolution. I want to commend, first of all, the chairman of the Committee on the Budget, Mr. KASICH, and his committee, for crafting a very bold and courageous and, most importantly, an honest budget resolution. They have tackled a very difficult and certainly I not need add a politically dangerous task of balancing the budget in a responsible and professional manner, and I would applaud them for what I think are Herculean efforts.

Second, I wanted to remind my colleagues on the other side of the aisle and supporters of this substitute who seem somewhat squeamish about the Republican budget proposal in that it is making some significant cuts, that it is only the first step in a very long process. Of course, the budget figures laid out by function are binding, but the menu of the specific program cuts and eliminations are nonbinding. There is plenty of room for adjustment I think in all of the authorizing committees and improvement.

So I too am concerned about some of the suggested cuts, but I plan to work to reform the programs that I believe are most critical to my constituents and the country and develop alternative means of delivering some of these critical services and benefits.

Third, as chairman of the Committee on Government Reform, I am excited about this budget proposal because it is the first major step in fundamentally transforming the Federal Government and redefining the roles of Federal, State, and local governments. I am one Republican who is not afraid to say I think the Federal Government does have important roles to play and some important responsibilities. In some cir-

cumstances the Federal Government can and has improved the lives of Americans.

However, I fear we have come to the point where out of control Federal spending and unyielding monolithic bureaucracies have become a threat to American prosperity. The budget we have before us proposed here continues what I think has been a counter-productive movement over the past years.

It is time to redefine the Federal Government's role in society and establish a true partnership. We must recognize the different States and different regions have varying needs, concerns and priorities, and we in Washington do not understand and cannot possibly address. So I would urge defeat of the substitute and support of the Kasich amendment.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS], the chairman of the Progressive Caucus.

Mr. SANDERS. Mr. Chairman, I congratulate the gentleman from New York [Mr. OWENS] and other members of the Black Caucus for the excellent work they have done.

Mr. Chairman, at a time in which the rich are getting much richer, the middle class is shrinking, and poverty is increasing, the Congressional Black Caucus has come up with a budget that moves us toward a balanced budget, but does not do it on the backs of working people, the middle class, or the poor. At a time in which the rich have enjoyed, over the last decade, huge decreases in their tax burden, the Congressional Black Caucus does not give more tax breaks to the wealthy or the large corporations, but, in fact, provides tax breaks for the middle class and says to the wealthy that it is about time you start paying your fair share of taxes.

Mr. Speaker, the cold war is over. Our standard of living is declining. We have the highest rate of childhood poverty in the industrialized world. It is absurd that the Republican budget proposes to be talking about significant increases in military spending. Now is the time to lower military spending so we can reinvest in this country and provide for the needs of our people.

Mr. Chairman, instead of giving huge tax breaks to corporations and the wealthy, the Black Caucus budget has the guts, uniquely, to demand an end to corporate welfare. When we talk about welfare, most people say that is poor folks. What the Black Caucus budget understands is that large corporations and the wealthy end up with much more in welfare and subsidies. Let us support the Black Caucus budget.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MICA], a distinguished member of the Committee on Government Reform and Oversight.

Mr. MICA. Mr. Chairman, this week I celebrate my son Clark's 16th birthday.

I remember the joy and excitement years ago when he was born on May 16, and I felt the same excitement when our daughter D'Anne was born 20 years ago.

I tell you about my two children, my colleagues, because for my wife Pat and I they are the most important things in our lives. When we made the decision to bring them into the world two decades ago, we were optimistic about their future. We had special dreams and hopes for our children. But those hopes for a better life and for a more promising future began to fade several years ago.

That is why 3 years ago I decided to run for Congress. I believed then, and I believe now, that we must change the way this Congress is spending away their future. This week we have an opportunity to change the future direction of our Nation. During my 28 months in Congress I have learned firsthand of the dire straits that I only suspected were the condition of our national finances.

Today, my colleagues, I can confirm that the very financial stability of our Nation is at stake. Every fund has been depleted. We have borrowed against every reserve. Even our Nation's Capital City is in receivership. Every cookie jar has been robbed; every dollar tucked under the mattress has been spent.

For our senior citizens, I believe there is no greater threat to their Social Security or Medicare than to further ignore our responsibility to balance the budget. So now, my colleagues, I urge you to cast a courageous vote, to vote for the Republican alternative, and defeat this amendment, if we are to restore hope for our children and hope for our future.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA], chairman of the Urban Caucus.

Mr. FOGLIETTA. Mr. Chairman, we have heard so much from the speakers over the last couple of days, talking about future generations and what we must do to protect the future generations and their lives.

Well, I am concerned about the future generations, but I am also concerned about the young people living today, especially people living in our cities, the poor and middle class, people yearning for a good education, a good home, and for food to eat.

I believe we should be trying to balance the budget. No question about that. But I also believe that we have an obligation, yes, a moral obligation, while we are trying to balance the budget, to provide an education for young people, to provide health care for young people and our senior citizens, to provide mass transportation, food, housing. Yes, we need these things. We need a balanced budget, but we have to, at the same time, provide for the people and fulfill our obligation, our moral obligations, to the people in this Nation, especially the poor,

especially the senior citizens and the middle class of our country.

□ 1415

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. STOKES].

(Mr. STOKES asked and was given permission to revise and extend his remarks.)

Mr. STOKES. Mr. Chairman, I rise today in strong support of the Congressional Black Caucus substitute budget for fiscal year 1996. The CBC substitute is a caring budget, it shows compassion for the American people, and is one that the American people can be proud of. It not only balances the budget, the measure is responsive to the housing, health, education, and employment training needs of the American people.

Unlike the Republicans' budget proposal, House Concurrent Resolution 67, which holds our elderly hostage to their compromised health care condition and economic status, the Congressional Black Caucus substitute treats our elderly with the dignity and respect that they not only deserve—but have earned. Adequate funding is provided for the older Americans' programs including essential nutrition programs, low-income home-energy assistance, and assisted housing. Medicare is preserved.

Unlike the Republicans' budget proposal which forces our elderly to choose between food and heat, under the CBC alternative their quality of life is enhanced.

The CBC substitute is also kind to our Nation's children including those yet to be born. It provides adequate funding for Healthy Start, Child Care, and Head Start. Mr. Chairman, our children are our future. They have placed their future in our hands, we cannot sacrifice that trust.

In addition, the CBC substitute budget strengthens support for higher education, student aid, trio, education for the disadvantaged, school reform, biomedical research, and community infrastructure. The CBC has heard the voice of the American people, and responded with a sound budget that is fair, responsible, and overturns the Republicans' assault on our Nation's most vulnerable citizens—the children, the elderly, the veterans, and hard-working families.

Mr. Chairman, the Congressional Black Caucus substitute budget stands on its own merits. I strongly urge my colleagues to join me in supporting this budget which establishes our fiscal policy and priorities in a responsible and compassionate manner.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, this is the first time in 26 years that we are actually taking the first step toward balancing the budget. That means your grandchildren will not be paying \$187,000 in interest payments to the national debt during her lifetime, if she is born today, if we start today.

This budget is more of the same. More spending, more taxes, more power in Washington.

We need a capital gains tax, not as a tax for the rich but for those who will create jobs and bring revenue to Washington.

We need the tax relief for the young families, both parents working, so that they can spend not someone else's money but their own. That is what a \$500 tax credit does for families with children. We have got to stop the growth of power in Washington. We have got to stop the centralization of regulation in Washington. That is what returning power to local governments is all about. That is what the unfunded mandates bill was all about. We have to stop the overtaxation.

In 1960, we only paid about 10 percent of our income to the government. We are now paying 30 percent. Vote no on this relief. Vote "yes" on the Republican budget.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the distinguished chairman of the Committee on Transportation and Infrastructure.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to announce that I oppose the substitute we have before us now and that I will vote in favor of the Kasich budget, even though I have great concern about the transportation parts of that budget.

Most importantly, to announce that the Speaker today has authorized me to announce that he is forming a task force to address the issue of taking the transportation trust funds out of the general fund budget, that the Speaker himself will chair that task force. And as the Speaker says in the letter making this announcement, "As you know, I have consistently stood with you in support of moving the transportation trust funds off budget."

So this is not the end but, rather, the beginning. I salute the Speaker for his dedication to our finding a way to remove these transportation trust funds from the general fund budget. It is really an issue of honesty in budgeting. We have 206 cosponsors now, I might say a majority of Republicans in the House cosponsoring the legislation. It is time we get on with doing it. I certainly want to compliment the Speaker for deciding that he will chair the task force to find a way to make this happen.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Chairman, Mr. and Mrs. Taxpayer, get ready, because after 4 months of blue smoke and mirrors, the Republican budget proposal is getting ready to pick your pockets. It gives a new meaning to the term "out of luck."

If you are on Medicaid or Medicare, you are now out of luck. If you receive unemployment benefits, you are out of luck. If you happen to be a college stu-

dent or the parent of a college student, you, too, are out of luck. If you believe in the importance of the National Endowment for the Humanities or the National Endowment for the Arts or the Corporation for Public Broadcasting, under the Republican budget proposal, you are out of luck. It gives tax breaks to the wealthy and gets away from the whole notion of trying to do anything about corporate welfare. Spends more money on weapons during a time of peace and plays games under the guise of balancing the budget.

We were given the task to balance the budget also and we have one we believe that is more humane, more dedicated to principle, more honest, more equitably distributed and more, quite frankly, American in many respects because it does not do unto people things that we would not have done to us.

And so I would ask Members of this body, as you watch this debate and as you come to the floor to cast this vote, recognize that we are talking about years of fiscal policy and ask yourself, when you juxtapose these two balanced budget amendments, which one comes the closest to where the American people do?

We believe that the proposal offered by the gentleman from New Jersey and the gentleman from New York that has the support of the Congressional Black Caucus and the Progressive Caucus, meets that challenge. And we are prepared to debate that issue with anybody from the other side on any day and in this debate at any time.

I urge support of this and rejection of the so-called balanced budget amendment by the Republicans.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New York [Ms. MOLINARI].

#### ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Let me remind our guests in the gallery that they are there as guests of the House. The rules of the House specifically prohibit any expressions of support or opposition to any of the speakers on the floor. The compliance of our guests in the gallery would be appreciated.

Ms. MOLINARI. Mr. Chairman, I want to join here today in congratulating the Black Caucus for their exercise. They bring not pretty photographs but ideas, ideas that challenge the majority of Members on the Democratic side and, in fact, ideas that challenge the status quo.

We on the Republican side stand here today to challenge the status quo also because the status quo is a killer. It murders any chance that our young people have of grabbing that brass ring, of dreaming of hope and opportunity, and it cheats everyone of their potentials right in the heart.

Take a look at this chart. This is the chart that we have been talking about,